Daily Report

East Europe

FBIS-EEU-94-094
Monday
16 May 1994

Daily Report
East Europe

FBIS-EEU-94-094 *16 May 1994*

CONTENTS

NOTICE TO READERS: All material in this volume previously disseminated in electronic form.
An Ω indicates a Foreign Media Note.

INTERNATIONAL AFFAIRS

Silajdzic, Croatian Leaders on Geneva Talks *[Zagreb TV]* 1
Ministers Want 'Unconditional' B-H Cease-Fire *[AFP]* 1

BULGARIA

Union of Democratic Forces Holds Conference *[Sofia Radio]* 2
Dimitrov Assesses Conference Results *[Sofia Radio]* 2

CZECH REPUBLIC

Need for Law on Organized Crime Stressed *[DENNI TELEGRAF 11 May]* 3
Army Audit Indicates Financial Irregularities *[ZEMEDELSKE NOVINY 21 Apr]* 4

SLOVAKIA

Kanis on Troops for Former Yugoslavia *[SLOVENSKY DENNIK 9 May]* 5
Assesses Visit to Slovenia, Croatia *[PRAVDA 9 May]* 5
Moravcik 'Optimistic' on Ties With Hungary *[Budapest Radio]* 5
Hungarian Party Official on Stability Pact *[SME 10 May]* 6
Politicians Comment on Stability Pact *[SME 10 May]* 6
Moravcik Says Pact 'Acceptable' *[Bratislava Radio]* 7
Hungarian Civic Party Backs Minority Coalition *[Bratislava Radio]* 7
MKDH Prefers Hungarian Coalition to 'Union' *[SME 12 May]* 7
Communist Party Congress Elects Leadership *[Bratislava Radio]* 7
NDS Proposes Changes to Election Law *[SME 12 May]* 7
List of Registered Parties, Movements *[NARODNA OBRODA 12 May]* 8
Kovac: No Meciar Coalition After Elections *[Vienna DER STANDARD 13 May]* 10
Economy Minister Views East-West Conference *[PRAVDA 9 May]* 10
Quarterly European Trade Statistics Reported *[SLOVENSKY DENNIK 10 May]* 11

HUNGARY

Horn Views MSZP's Position, Prospects *[MAGYAR NEMZET 12 May]* 13
Attends MSZP Consultations *[Budapest Radio]* 13
'Suspicious' About Car Accident *[Budapest TV]* 14
MSZP's Szerekes Assesses Election Results *[RZECZPOSPOLITA 13 May]* 14
MSZP Official Views Coalition Prospects *[MAGYAR HIRLAP 13 May]* 15
Head of TV News, Election Program Resigns *[Budapest Radio]* 16

POLAND

Defense Minister on Cooperation With Baltics *[Warsaw Radio]* 17
Cited on Meeting With Germans, Danish *[PAP]* 17
Olechowski on Foreign Policy Outlines *[Warsaw Radio]* 17
Kaczynski Elected Chairman of Center Accord *[Warsaw Radio]* 19
More on Congress, Kaczynski *[GAZETA WYBORCZA 16 May]* 19

Right-Wing Parties Form 'Alliance for Poland' *[NOWA EUROPA 13-15 May]* 20
Pawlak Sure of PSL Victory in Local Elections *[PAP]* 20
Kolodko Outlines Goals, Banking Strategies *[GAZETA WYBORCZA 14-15 May]* 20
Deputy Minister, Solidarity on Arms Industry *[Warsaw TV]* 21
Prospects for Single-Digit Inflation Viewed *[NOWA TRYBUNA OPOLSKA 7-8 May]* 22
Ecological Damage at Ex-Soviet Bases Assessed *[ZYCIE WARSZAWY 28 Apr]* 22

BOSNIA-HERZEGOVINA

Christopher Informs Izetbegovic of U.S. Stance *[Sarajevo Radio]* 24
Izetbegovic on Federation, Contact Group *[Sarajevo Radio]* 24
Federation Leaders To Be Elected at End of May *[Zagreb TV]* 24
Croatian Leader: Serbs Refuse To Enter Federation *[Zagreb TV]* 24
Croatian Official on Washington Agreement *[Zagreb TV]* 25
Krajisnik Praises Communique, Has 'Objections' *[TANJUG]* 27
Sarajevo Joint Chiefs Office Begins Operating *[Sarajevo Radio]* 27
Silajdzic Calls For International Guarantees *[Sarajevo Radio]* 27
Serbs 'Unconditionally' Agree to Cease-Fire *[TANJUG]* 28
Serbs Clash with UNPROFOR Unit Near Maglaj *[Sarajevo Radio]* 28
Serbs: Muslims Continuing Attacks in Sarajevo *[TANJUG]* 29
Serbs Say Muslims Using Chemical Weapons *[TANJUG]* 29
Army Returns to Positions in Gorazde *[Sarajevo Radio]* 29
UNPROFOR Sights Serbian Weapons in Sarajevo *[AFP]* 29
UNPROFOR Describes Fighting Around Tuzla *[AFP]* 29
Serbian Attacks on Zvornik Area Reported *[Sarajevo Radio]* 30
Spokesman: UN Convoys Encountering Problems *[AFP]* 30
Inter-Muslim Fighting Reported in Northwest *[TANJUG]* 31
Large Number of Casualties *[Sarajevo Radio]* 31
'Discrimination' Against Non-Muslims Questioned *[Sarajevo Radio]* 31
TANJUG: Daily Admits Army Receiving Weapons 31
Serbian Civic Council Discusses Moscow Visit *[Sarajevo Radio]* 32

CROATIA

Tudjman Condemns UN 'Inefficency' in UNPA's *[Zagreb TV]* 33
Tudjman Sends Letter to Clinton, Christopher *[Zagreb Radio]* 33
U.S. Asked To Support UNPA Reintegration *[Zagreb TV]* 33
Krajina Demands UN Disclose Cease-Fire Violations *[TANJUG]* 34
Mesic Discusses Split With Tudjman *[Budapest Radio]* 34
Valentic Discusses Country's Economic Situation *[HOSPODARSKE NOVINY 12 May]* 35
Oil Deliveries to Slovenia Suspended *[TANJUG]* 36
Serbs Reportedly Pumping Oil From Slavonia *[GLOBUS 6 May]* 36
Admiral Views Detention of Tanker by Serbs *[VECERNJI LIST 5 May]* 38
Serb Party Leader on Treatment of Serbs *[TANJUG]* 39
ΩEconomic News Roundup *[GLOBUS 22 Apr, etc.]* 40

YUGOSLAVIA

Federal

Lilic on Prospects for Peace in Bosnia *[Novi Sad TV]* 42
New Law Rules Out Autonomy for Minorities *[TANJUG]* 42
Industrial Production Increases by 3.4 Percent *[TANJUG]* 42
Draft Dodgers To Face 'Use of Force' *[TANJUG]* 42
General Staff Denies Troops Fighting in Bosnia *[TANJUG]* 43

Serbia

Churkin Calls For Talks To End Bosnian War *[TANJUG]* 43
Milosevic Begins Talks With Russian Patriarch *[TANJUG]* 43
Seselj Says Bosnian Serbs Need Brcko Corridor *[TANJUG]* 44
Official Comments on Status of Refugees *[TANJUG]* 44
Controversial Assembly Moves in Subotica Viewed *[VECERNJE NOVOSTI 12 May]* 44

Montenegro

Djukanovic on 'Unrealistic' Hopes on Sanctions *[TANJUG]* 45

Kosovo

Rugova: Party Will Continue Work if Banned *[TANJUG]* 45

Silajdzic, Croatian Leaders on Geneva Talks

LD1405145294 Zagreb HTV Television in Serbo-Croatian 2140 GMT 13 May 94

[Report on the meeting between Croatian and Bosnian delegations in Geneva on 13 May, including recorded remarks by Bosnia-Herzegovina Prime Minister Haris Silajdzic; Bosnian Croat leader Kresimir Zibak; and Croatian Foreign Minister Mate Granic; from the "Picture Versus Picture" program]

[Excerpt] The Croatian and Bosnia-Herzegovina Croat delegation arrived in Geneva on 13 May. They met with the Bosniak delegation immediately on arrival. Judging by the statements made after the meeting, we can expect the agreement to be signed successfully tomorrow, although it is still unclear what the territorial percentage ratio will be—51 to 49, as recommended by the international community, or 58 to 42 as proposed by the Bosniaks and Croats.

[Silajdzic] We arrived at the conclusion that we all wish to negotiate, that a peaceful solution would be the real solution, if it can be found. What awaits us now in the implementation of this agreement—which has become a constitutional obligation—is a series of extremely serious issues to be resolved in practice.

On the other hand, we hope that the international community will accept this agreement as the first step in finding a final peaceful solution for both Bosnia-Herzegovina and Croatia. He hope we can count on the international community regarding a just solution. This means that genocide and aggression must not be rewarded.

[Zubak] As Mr. Silajdzic said, at today's meeting we analyzed what we had agreed on in Vienna and reconfirmed the assessment that we had reached agreements in Vienna that were in the interests of both peoples. We also concluded that the reactions among the world public were positive, as well as on the home political scene, which instills hope and confidence that what was agreed in Vienna will be translated into practice as well.

After that we discussed several concrete questions. As Mr. Silajdzic said, we agreed to immediately form a commission charged with searching for missing persons. This commission should resolve the issue of a number of persons imprisoned in Bugojno and thus resolve the question of the blockade of the road leading across Mount Vran. We will designate this commission on the basis of parity and it will be constituted and will begin operating within seven days. We also agreed to convene a session of the constituent assembly of Bosnia-Herzegovina for the end of this month, 30 May to be precise, which is an approximate date [as heard], and to include these agreements reached in Vienna on the agenda. This means that we should proceed with the election of the federation's president, vote on laws on the government and ministries, and prepare other documents necessary for the implementation of the federation's constitution.

[Granic] During the two-hour long talks we discussed a number of important strategic issues and many vital issues of the relationship between the federation and Croatia. This means that we talked about the ways of ending the war in Bosnia-Herzegovina, which implies negotations between the federation and the third party, and a just peace, on the one hand and, on the other, the reintegration of the UN Protected Areas [UNPA's] into the legal and constitutional system of Croatia. Our view is that we shall coordinate many future actions at various levels, including the United Nations.

In specific terms, Croatia will not agree to the lifting of the embargo on Serbia unless the issue is linked with the UNPA's in the Republic of Croatia.

We also talked about the problem of succession and our joint approach to that issue, the issue of entry into Croatia from Bosnia-Herzegovina, the movement of convoys, border crossings, and the strategic problem of refugees and, in particular, the issue of their return, help in rehousing them, and all other issues of importance for ensuring that the federation can start functioning successfully, and also the relationship between the Republic of Croatia and the federation. [passage omitted on announcer's remarks]

Ministers Want 'Unconditional' B-H Cease-Fire

AU1305175494 Paris AFP in English 1736 GMT 13 May 94

[Text] Geneva, May 13 (AFP)—The foreign ministers of Russia, the United States and five western European countries ended a meeting on Bosnia-Herzegovina Friday with a call for a ceasefire, and negotiations between the warring parties in two weeks, a French diplomatic source reported. He said the ministers had called for the ceasefire to be "unconditional." A communique due to be published later in the evening would reiterate the ministers' support for a European Union proposal to divide the former Yugoslav republic on the basis of 51 percent for Moslems and Croats and 49 percent for Serbs, the source said.

Union of Democratic Forces Holds Conference

AU1405171694 Sofia Khorizont Radio Network in Bulgarian 1600 GMT 14 May 94

[Text] The first day of the Sixth National Conference of the Union of Democratic Forces [SDS] was devoted to statements by the chairmen of the parties, members of the SDS coalition, and delegates to the conference. Two main issues were brought up: tactics related to prompting early elections and the centers of power within the SDS.

Filip Dimitrov, chairman of the SDS National Coordinating Council, said elections are the only prudent alternative for Bulgaria's fate. However, he himself sees no real evidence that elections could take place by the end of the year. He appealed for unity within the SDS.

Stefan Savov, chairman of the SDS parliamentary faction, said that the parliament is the heart of democracy. According to him, the blue [SDS] deputies blocked many recommunization bills, and they should continue to do so.

According to Radical Democratic Party Chairman Aleksandur Yordanov, the SDS faces both elections and a choice: whether to proceed toward a split or to head along the road of unity. Yordanov said that the presidency was seen for a long time as the basic enemy of the SDS, but this position has changed.

The Radical Democrats, the Nikola Petkov Bulgarian Agrarian National Union [BZNS], the Democratic Party, and the Christian Democratic Center Union expressed the joint stance that the parliamentary boycott is a means and not an end in itself, and that it should be effected at an appropriate moment along with extraparliamentary pressure.

The opposition of Ecoglasnost, the Conservative-Ecological Party, and certain local structures of the SDS did not surprise anyone. They demanded an immediate walkout from the parliament. Edvin Sugarev insisted that the conference should impose a decision on the parliamentary faction to boycott the parliament if the cabinet is successfully reshuffled. In this context, the old problem of the SDS coalition related to the centers of power emerged again. The Social Democrats of Ivan Kurtev proposed a single center of power—the coalition's political organ and the national conference. They should be the only organs entitled to adopt political decisions.

All those proposals will be incorporated in the program document, which the conference will adopt tomorrow. However, there are clear indications that the boycott of the parliament will be postponed, while the centralization of power within the coalition will be carried out.

The BZNS of Anastasiya Mozer, the Monarchists, and the Christian Democratic Party were mentioned favorably as possible partners in a future coalition.

Dimitrov Assesses Conference Results

AU1605072894 Sofia Khorizont Radio Network in Bulgarian 0400 GMT 16 May 94

[Text] The delegates to the Sixth National Conference of the Union of Democratic Forces [SDS], which ended yesterday, supported the following conclusion, presented by SDS leader Filip Dimitrov:

[Begin Dimitrov recording] There is no other prudent solution for Bulgaria other than holding early elections as soon as possible. This is a conclusion prompted not by the interests of the SDS as a political formation, but by the need to lead Bulgaria out of the critical situation in which it finds itself, and the grave consequences of the rule of the present government. Therefore it is necessary to effect a decisive change, prompted by a new political will that is able to implement changes in the direction of the reforms—a direction the SDS advocates in the name of the nation.

The SDS National Conference discussed the issue of adopting a categorical position against the existing government and the creation of a similar one, and against continuing the activity of the current parliament. The SDS's decisive organs are the conference and the National Coordinating Council. [end recording]

According to the changes in the SDS statute as adopted by the conference, certain restricting texts were adopted regarding the future SDS people's representatives. Those texts apply also to the current members of the National Coordinating Council. They cannot be former members of the Union of Active Fighters Against Fascism and Capitalism, active figures in the totalitarian regime, or people who have submitted requests to join the former Bulgarian Communist Party.

According to the document that was adopted, if the current government remains in office, the SDS will begin massive extraparliamentary protest actions, combined with a parliamentary boycott. The forms of those actions are yet to be specified.

Need for Law on Organized Crime Stressed

AU1405164594 Prague DENNI TELEGRAF in Czech 11 May 94 p 3

[Interview with Jaroslav Basta, chairman of the Czech Social Democratic Party Security Commission, by Jaroslav Fiala; place and date not given: "Law Against Organized Crime Is Necessary"]

[Text] We spoke with Jaroslav Basta, chairman of the Czech Social Democratic Party Security Commission, about the development of organized crime in our Republic in connection with the situation in Russia.

[Fiala] One often speaks about growth of organized crime in Russia. How strongly is this growth influenced by the political situation there, in your opinion?

[Basta] The situation in Russia is different and more serious than it is being presented in our Republic. The traditional democratic division of power in the form of the government-president-parliament triangle does not work there. The government's powers are very small because many of them have been transferred to the parliament and president. The president has so many powers, however, that he is unable to exercise them, and, as a result, these powers are exercised by people who are not even constitutional officials. A great many of them come from the "apparatus" and have behind them the "standard career"—that is, about 20 years in the KGB and its successor organizations.

[Fiala] Many of these people have left the security forces, however, to become entrepreneurs, for instance. What role do they plan in organized crime in Russia? Is the situation in our Republic similar in any way?

[Basta] Each such operative lived in a certain ghetto and, the more his activity had to do with the security of the state, the more secluded he was in this ghetto. His only contacts were his fellow workers and his clients. When you look at the way these people run their businesses, you find out that they employ colleagues from their branch or their former agents in their firms. When they worked in the past on something pertaining to the protection of the economy, this becomes extremely dangerous. Essentially, they have contacts at the Ministry of Interior, in the KGB successor organizations, and in the underworld. For example, 10 functionaries of the Ministry of Interior who had been involved in organized crime were arrested in Russia in April. Moreover, the Russian secret services have started to officially promote the possibility of acquiring money outside the budget. The budget is one of the most important means of subjecting these services to control. If they are able to generate resources outside the budget, they become uncontrollable. Machinations with various technologies—for example, with radioactive materials—show how they obtain these resources. All research institutes, factories, and installations dealing with those materials are under the KGB's permanent control. Whenever anything gets lost anywhere, it does not happen without the knowledge of its former staffers. They are mostly involved in this [cases of disappearance of radioactive substances]. and I believe they are making use for this purpose of agents with whom they used to cooperate.

[Fiala] Are the conditions for organized crime any different in our country and other postcommunist countries than they are in advanced states?

[Basta] What makes us different from the West is that, for several decades, we did not live in a state based on the rule of law. Ethics did not exist here, and, instead of the rule of ethics and the law, we had the rule of anxiety. This anxiety is now gone and people behave the way they logically must behave because the state based on the rule of law is not ingrained in them and some believe that everything is permitted. This is the ideal environment for the emergence of organized crime. I am not afraid of organized crime that comes to our country from the West because, compared with what is in store for us, this organized crime is civilized and less dangerous. When someone who used to work for some security service embarks upon the path of organized crime, he has a great many advantages, compared with ordinary criminals. He knows how the police work and what course the investigation will take, and he is more qualified than an ordinary criminal. When people who were always criminals begin to engage in organized crime here, it is far more dangerous than in the West. The local brand [of organized crime] will have communist roots because it will be organized by people who were working in criminal organizations such as the StB [State Security Corps]. The combination of the underworld and people who worked at the Federal Ministry of Interior, for example, is immensely dangerous. Those who used to organize crime legally, under the cover of the communist regime, will now organize it illegally. For this reason, I assess negatively the Interior Ministry's claim that there is no need for laws against organized crime in our country.

[Fiala] Wherein lies a solution to the situation, in your opinion?

[Basta] We have only one chance—to join the coordinated struggle against organized crime, alongside other states. For this to happen, we must, first and foremost, make our laws compatible with the legislative norms adopted by the European Union [EU]. This concerns, for example, the convention on the laundering of dirty money, which the European Union adopted in 1988. Our Republic has not adopted this convention, and it seems that it will not adopt it, either. The longer we are a laundry for dirty money, the worse our situation in the security sphere and the worse our international position will become. We should build without delay a state based on the rule of law, complete with all the legislation this entails, including a law against organized crime.

Army Audit Indicates Financial Irregularities

94CH0252A Prague ZEMEDELSKE NOVINY in Czech 21 Apr 94 pp 1, 4

[Article by Vlasta Hlusickova: "Army Does Not Demand Payment of Debts"]

[Text] *State property is being sold without regard for law and government edicts. The Ministry of Defense in not interested in 11 million korunas? The Supreme Control Office will now take a good look at the sale of arms.*

The Supreme Control Office [NKU] found frequent breaches of laws and government edicts in the way the Czech Republic Army has been handling its surplus and unusable property in the period 1990 to 1993. Irregularities were found in almost all of the audited Army units as well as in the Ministry of Defense.

The greatest number of irregularities was found in the Army Housing and Construction Administration (VUSS) Plzen, which, in addition to selling the chateaux Struzna and Kanice, broke the law on historical monuments by not first giving the state the option of purchasing these cultural monuments. The same law was broken by VUSS Tabor by its sale of the Neznasov chateau. The Plzen VUSS further broke the Ministry of Finance regulation on the management of national property by its transfer of the Vysocany barracks, the Dobrany billets, the Plzen exhibition grounds, and the barracks in Tachov and Rokycany. It transferred the chateau Zelena Hora-Nepomuk, including the training grounds, without a certificate from the Ministry of Finance approving the free transfer.

The Army unit in Olomouc sold engineering material for more than 3.5 million Czech korunas [Kc] without obtaining approval from the government, and, subsequently, for more than Kc2 million without submitting it to public bidding. VUSS Brno sold the building at its training center for Kc1.6 million without being granted a special permit by the government.

The NKU also found shortcomings in the handling of the government's claims. VUSS Plzen has not demanded the payment of rent for the lease of the grounds of the Plzen-Bory airfield, the Brno administration still has not been paid for the sale of real estate in Bilovice in the amount of Kc15 million, and neither was the Prague administration for the Aquacentrum building for Kc60 million. The Ministry of Defense has outstanding claims for the sale of movable assets amounting to more than Kc42 million. The results of the audit show that, at present, the Ministry of Defense is demanding the payment of claims in the amount of roughly Kc31 million, but, at the time of the audit, not of the remaining amount.

The Ministry of Defense used almost Kc10 million for the purchase of equipment for the UNPROFOR [UN Protection Force] unit. Moreover, all of the equipment that was purchased is still to be found in the Czech Republic.

According to the deputy press spokesman of the Ministry of Defense, J. Sila, the ministry has had the NKU report available only since Monday, and the minister will be able to make a statement about it only after 25 April. Sila further stated that, after assuming his post, Minister A. Baudys was aware that there have been irregularities in the sell-off of movable and immovable assets, and he therefore asked for his own internal audit of the sales. The report was turned over to the then prosecutor general of the Army, who, according to Sila, did not find any reason to institute criminal proceedings. At the same time, the minister decided to put in place a new system for selling movable and immovable assets, the rules of which would be fully in accord with the existing legal code.

The NKU spokeswoman, J. Vavrova, told ZEMEDELSKE NOVINY that the Ministry of Defense had the protocols concerning the results of the audit available already in January. On the basis of the present investigation, a further audit of management by the Army is being planned, which this time will also include the use of funds from the state budget and the sale of arms.

Kanis on Troops for Former Yugoslavia

AU1305143894 Bratislava SLOVENSKY DENNIK in Slovak 9 May 94 p 1

[Interview with Defense Minister Pavol Kanis by "(vg)"; place and date not given: "One Question for Defense Minister Pavol Kanis"]

[Text] [Correspondent] The UNPROFOR [UN Protection Forces] command has shown an interest in dispatching another 400 of our troops to the former Yugoslavia. How will the Slovak side react?

[Kanis] Naturally, we have to look at all of the aspects of this request. It is necessary to weigh the material and financial aspects and also, of course, the possibilities for the human resources the Slovak Army has at its disposal. However, from the preliminary discussions the members of the delegation have had among themselves, it is clear that it would be possible to comply with the request—on condition that the UN payments would not be delayed, as is the case now, by a year, but would be made immediately or, possibly, with a slight delay. In this case, we could overcome the problem of this department's tight budget.

Assesses Visit to Slovenia, Croatia

AU1305164394 Bratislava PRAVDA in Slovak 9 May 94 p 11

[Article by Boris Latta: "The Engineers Are Earning Us a Good Reputation"]

[Text] A delegation led by Defense Minister Pavol Kanis returned home early in the evening of 7 May from its two-day official visit to Slovenia and Croatia. Immediately upon his return, the minister said that the two visits were completely different from the point of view of their contents.

The talks in Ljubljana, Slovenia, defined in the dialogue between our minister and his departmental counterpart, Jelko Kacin, were oriented mainly toward an exchange of views on security issues in the Central European region and on the next course of action within the framework of the Partnership for Peace plan.

According to Minister Kanis, the talks with President Milan Kucan had a special quality. First and foremost, from the point of view of the broad coalition government in Slovenia, which is fully functional and, therefore, contradicts the claims by some of our politicians about the impossibility of normal activity by such a grouping.

The Slovak Army commander, Lieutenant General Julius Humaj, who was also a member of the delegation, briefed journalists on the military aspect of the talks in Slovenia. Among other things, he said that he had followed up on the talks he had had with General Gucman, chief of the Slovene General Staff, last December.

Following the division of greater Yugoslavia, Slovenia is at the stage of building up its own army and is resolved to expend considerable resources on this. In this context, it has asked to cooperate with Slovakia, first and foremost, in training certain types of troops. For example, our assistance could consist of training military pilots or artillery gunners. Humaj emphasized, however, that this would require the Slovene Army to also have our systems among its armaments so that it could then, as the case may be, exercise in our military areas. It is simply up to the Slovene side which of our proposals it will accept. With regard to the embargo that is still in force, they are convinced in Ljubljana that it will come to an end this fall and then nothing will stand in the way of even military cooperation. The two sides should sign a specific agreement during the coming visit of Minister Jelko Kacin, which should take place in about a month.

The focal point of the visit to Croatia was a visit to the Slovak engineering battalion, which is part of the UNPROFOR [UN Protection Force] forces in Yugoslavia and which, on Saturday, was celebrating its first anniversary in the difficult conditions of the region of its deployment. According to the defense minister, "such activity in UN peacekeeping missions should form a significant element of the Slovak Army's future activity, and, therefore, it is necessary to strengthen it." Kanis also said that very few of Slovakia's citizens are aware of the good reputation these soldiers are earning for us and that they are also creating a very advantageous and suitable basis for Slovak diplomacy in the international arena. "We have to overcome the very simplified views held by our citizens about the activity of Slovak troops in UNPROFOR services. I think our units are doing very well there and that the UNPROFOR command also appreciates them," said the defense minister to reporters in his assessment of the visit following his return to Bratislava.

Moravcik 'Optimistic' on Ties With Hungary

LD1405142294 Budapest Kossuth Radio Network in Hungarian 1000 GMT 14 May 94

[Interview with Slovak Prime Minister Jozef Moravcik by Ildiko Nagy in Bratislava; date not given; Moravcik speaks in Slovak with superimposed translation into Hungarian—recorded]

[Excerpts] [Nagy] The Democratic Union led by Jozef Moravcik wants to establish relations with the Hungarian Government immediately after the completion of the elections in Hungary. [passage omitted] I interviewed the party chairman in his capacity as prime minister soon after the results of the first round of the Hungarian elections were disclosed. In reply to the question of how he assessed Hungary's situation in light of the results, Jozef Moravcik said the following:

[Moravcik] It was not a big surprise to me, but I am reluctant to assess the result of the Hungarian elections. That is how the voters decided, and we accept this as a fact. Of course, I have the advantage of knowing the views of the two parties that came out on top [the Hungarian Socialist Party and the Alliance of Free

Democrats]. Remembering the discussions I recently held with them, I am optimistic.

[Nagy] What do you think the first steps of the future Hungarian Government will be vis-a-vis the neighbors? And how will the Slovak side react to what can be expected to be a positive gesture?

[Moravcik] If both of the aforementioned party chairmen had the opportunity to be in the government, it could be beneficial for us to be able to continue the dialogue already under way. Then we would have to waste less time on waiting.

[Nagy] The Slovak Government has recently made some remarkable decisions—for example, on amending the law on the use of names or on permitting bilingual placename signs. Have any of your Hungarian partners taken notice of this?

[Moravcik] I consider it absolutely natural, and there is nothing special in this. It complies with our political line inasmuch as we promised the Council of Europe that we would observe its recommendations. All we are doing now is fulfilling this. In my view, we acted in a manner that is entirely customary in a democracy when we amended these two laws in a way that also satisfies those they concern.

Hungarian Party Official on Stability Pact

AU1405153094 Bratislava SME in Slovak 10 May 94 p 1

[Interview with Pal Csaky, chairman of the Hungarian Christian Democratic Movement Deputies Club, by Jana Pankovcinova; place and date not given: "Revising the Borders in Europe Is Not Involved in the Stability Pact"]

[Text] The Hungarian parties in the Slovak Republic have been accused by the opposition of wanting to take part in the negotiations of the European Union (EU) on the so-called Stability Pact, whereas only Slovak constitutional officials should represent sovereign Slovakia; otherwise, the Slovak Republic's sovereignty and borders would be endangered. In this context, we asked P. Csaky to discuss the Stability Pact and assess the views being expressed about it.

[Csaky] The Stability Pact is being formulated at the level of the EU and the East European states, and its initiator is French Prime Minister Balladur. I understand some of the approaches adopted by Slovak politicians who want to savor the decisionmaking on the Slovak Republic's political orientation. The Stability Pact is intended to prevent possible conflicts in our region. It is not oriented against the sovereignty of any state. If the status of the minorities is also to be discussed in association with it, we would like to put forward our point of view. However, at the moment, it looks as though the minorities will not participate directly in the negotiations.

[Pankovcinova] Opinions are being expressed by the current opposition that the Stability Pact could also mean a certain revision of the borders in Europe....

[Csaky] I can reject this unequivocally. I know in detail the text of the Stability Pact and the European Union's proposals. Nothing is said there about any such eventuality. This is merely an old formula for defining the Slovak Republic's enemies. The EU is becoming unified, it has accepted another four members, and it has expressed its interest in further unification. We are also declaring our endeavor to enter Europe and come closer to the EU. If this is really the case, there is no point in just talking about it; we have to adopt specific measures, take part in the negotiations on the Stability Pact, and sign it. Thus, we would be making a specific commitment toward a united Europe.

Politicians Comment on Stability Pact

AU1405153194 Bratislava SME in Slovak 10 May 94 p 2

[Article by "(r)": "Slovak Politicians on the Stability Pact"]

[Text] Bratislava—I consider the Stability Pact to be a kind of umbrella that will cover bilateral negotiations and agreements between the participating states. This statement was made yesterday by Christian Democratic Movement Chairman Jan Carnogursky on Slovak Radio's Radiozurnal program. Prime Minister Jozef Moravcik said in this context that the Slovak Government is considering this plan carefully and, at the moment, is devoting attention to the text of the document that should be adopted. "We can only accept the whole plan under the prerequisite that it complies with our interests," said the prime minister. Milan Ftacnik, chairman of the Party of the Democratic Left Deputies' Club, said that, in the original plan, the questions of adjusting the borders were modified; they were unacceptable for the idea of Europe as it is arranged today, where any kind of movement on the borders may have unforeseen consequences. "Nevertheless, it is necessary to discuss the pact because a joint point of view on resolving the problems that exist between countries—first and foremost, on the issue of the minorities—is desirable, and I think that the Slovak Republic is ready for the pact," emphasized Ftacnik.

Jozef Prokes, honorary chairman of the Slovak National Party, expressed his conviction that the Stability Pact "will lead to the destabilization and not the stabilization of this region." "The countries that adopted an intolerant attitude toward the minorities will be given a large whip against the countries that have been tolerant, and I personally consider this to be interference in the internal affairs of other countries. Europe toyed with minority ideas in the 1930's, and it all turned out very badly. The Stability Pact now envisages bilateral negotiations between neighboring countries under the supervision of a third country. In other words, the European Union is expressing its lack of confidence in the competence and capability of the countries of Central and East Europe to resolve their own problems," he said.

Moravcik Says Pact 'Acceptable'

LD1305180094 Bratislava Rozhlasova Stanica Slovensko Network in Slovak 1500 GMT 13 May 94

[Text] At the last experts meeting about the Pact of Stability in Athens, Slovakia succeeded in pushing through its demands. This has created conditions to enable the Pact of Stability to become a suitable platform for the implementation of the foreign policy interests of Slovakia. This was said by Prime Minister Jozef Moravcik in an interview given to the Press Agency of the Slovak Republic in connection with the preparation of his official visit to France, where he is to discuss, among other things, this initiative. Prime Minister Moravcik envisages that, at this stage, the drafting of the documents for the Pact of Stability is acceptable to Slovakia. In this connection, he stressed that the pact unequivocally respects and promotes the principle of the inviolability and immutability of borders.

Hungarian Civic Party Backs Minority Coalition

LD1205175594 Bratislava Slovak Radio Network in Hungarian 1400 GMT 12 May 94

[Text] Kalman Petocz, spokesman of the Hungarian Civic Party, stressed at the party's news briefing held in Bratislava today that forming a coalition [by the ethnic Hungarian parties and movements in Slovakia] before the scheduled 30 September and 1 October elections would be a positive step and might contribute to the collaboration of people having a democratic approach. He stressed that the Hungarian Civic Party unanimously supports the establishment of a tripartite coalition by the Hungarian Christian Democratic Movement, the Coexistence Political Movement, and the Hungarian Civic Party. The party regards the Coexistence's proposal for a union of the ethnic Hungarian parties as a positive step. However, it considers it impracticable and unacceptable from the political point of view. If a tripartite coalition is not formed, only one opportunity will be left for us—to run separately in the elections, just as happened two years ago—the Hungarian Civic Party's spokesman stressed at today's news briefing.

MKDH Prefers Hungarian Coalition to 'Union'

AU1405162594 Bratislava SME in Slovak 12 May 94 p 1

[Article by "dos": "Idea of Union of Hungarian Parties Is Not Feasible Before Elections"]

[Text] Bratislava—Bela Bugar, chairman of the Hungarian Christian Democratic Movement [MKDH], considers the idea of establishing a union of the four ethnic Hungarian parties, proposed by the Coexistence movement, "not feasible before the elections." As Bela Bugar said in an interview for SME, "The Hungarian parties had a chance to prove that they are able to cooperate. They have been unable to accomplish this in four years." The process of approving the formation of such a union by the political bodies of the participating parties cannot be completed by the time of the elections, in his opinion. In view of the fact that the Hungarian People's Party does not engage in any activity, according to Bugar, the MKDH proposes the formation of a coalition of three partners: MKDH-Coexistence-Hungarian Civic Party [MOS]. According to MOS spokesman K. Petocz, MOS is open to talks on any alternative and positively assesses the fact that Coexistence proposes something common for all ethnic Hungarian parties. As Petocz went on to say, however, MOS "does not consider it fortunate to come up, a few weeks before the elections, with proposals that are legally vague and the practical implementation of which is unclear." According to Petocz, the union would be the sole legal entity within which the present parties could operate only as some kind of factions. "We do not advocate the liquidation of pluralism within the framework of the Hungarian minority and do not consider it necessary," the MOS spokesman added.

Communist Party Congress Elects Leadership

LD1505171194 Bratislava Rozhlasova Stanica Slovensko Network in Slovak 1630 GMT 15 May 94

[Text] A two-day session of the first congress of the Communist Party of Slovakia [KSS] ended in Levice today with the adoption of final documents. The party's policy reaffirms that the KSS is a Marxist party, the objective of which is to build socialism, a democratic society with political and economic plurality, a society that would be self-administered, prosperous, and socially just. The party's policy says that if this party fails to win a partner for a joint course of action, it will go into the elections as an independent political entity. The delegates reelected Vladimir Dado as KSS chairman, and (Ladislav Jaco) was elected KSS central secretary.

NDS Proposes Changes to Election Law

AU1405160194 Bratislava SME in Slovak 12 May 94 p 2

[Article by "rk": "National Democratic Party: 30,000 to 40,000 per Coupon Book"]

[Text] Bratislava—The offer of the Christian Democratic Movement [KDH] to accept other parties' candidates on its slate of candidates blocks the possibility of forming a coalition, which creates a new situation for the National Democratic Party [NDS], Andrej Findo told yesterday's NDS briefing. Anton Hrnko added that it should be in the political parties' interest to prevent the fragmentation of political entities so that the situation of the 1992 elections does not recur when a movement supported by one-third of voters gained almost one-half of the seats in the National Council of the Slovak Republic. Hrnko, who attended the elections in Hungary as an observer, noted that they took place in a calm and fair atmosphere and were distinguished by a minimum of advertising. He said that the NDS proposes that changes to the election law focus on increasing the number of constituencies from four to seven and on

imposing a strict limit on campaign spending (a sum of about 20 million Slovak korunas was being considered in the Coalition Council, on the basis of U.S. and French experiences). At today's meeting of the Coalition Council, which will discuss the further orientation of privatization, NDS representatives (Minister Milan Janicina, Vladimir Miskovsky, and Andrej Findo) will push for the use of a combination of privatization methods and a flexible solution to individual specific cases. However, they will assert that coupon privatization is their own contribution to this discussion, Findo said, adding that they want to achieve that citizens receive an average of 30,000-40,000 Slovak korunas worth of property per coupon book.

List of Registered Parties, Movements

AU1405060094 Bratislava NARODNA OBRODA in Slovak 12 May 94 p 14

[Article by Juraj Alner: "Colorful Mixture for Preelection Stew; There Are 38 Parties and 19 Movements in Slovakia"]

[Text] The preelection period starts with the question of which parties (movements) are registered in Slovakia, which of them will participate in the elections, and on what basis some of them will be allowed to participate and others not. We therefore publish an updated list of parties and movements that are registered as of today with the Ministry of Interior of the Slovak Republic.

The parties and movements are listed in chronological order, according to the registered date of their founding. The Democratic Party is the oldest party. Although the Freedom Part is also old, it had suspended its activity and resumed it only recently.

A party (movement) can be founded under conditions set out in National Council of the Slovak Republic [NRSR] Law No. 47/1993, which changes and amends Law No. 424/1991 on association in political parties and political movements.

Hence, it still holds true that, to set up a party (movement), it is necessary to submit a petition signed by at least 1,000 citizens who, apart from their signatures, list their first names, surnames, birth registration numbers, and complete addresses.

Of the 38 parties and 19 movements (or any other parties and movements that will be registered in time), only those will be able to participate in the elections that will meet the special regulations set out in Slovak National Council Law No. 80/1990 on elections to the Slovak National Council, as amended by the law of 26 February 1992. Essentially, the same criteria will apply as during preceding elections.

The slates of candidates must be submitted 60 days before the election date—that is, 60 days before 30 September. The condition for a party (movement) to run is to have at least 10,000 individual members. If it has fewer members, it must submit a petition signed by as many citizens as will supplement the missing number so as to reach 10,000. Again, the petition must contain all of the data necessary to identify the person in question.

This condition need not be met by parties that were represented in the NRSR 60 days before the elections were called—that is, 60 days before 25 April, when the NRSR chairman promulgated the election date. By the same token, this condition need not be met by parties that gained at least 10,000 votes in the preceding elections, even if they did not make it into parliament.

You will find the list of parties from which we will be able to choose, as well as their programs and intentions, in our newspaper in due course. It is apparent already that the mixture will be a colorful one.

I. Political Parties	Statutory Representative
1. Democratic Party (DS)	Pavel Hagyari
2. Social Democratic Party in Slovakia (SDSS)	Jaroslav Volf
3. Party of Integration of Romanies in Slovakia (SIR)	Koloman Gunar
4. Liberal Democratic Party in Slovakia (LDSnS)	Miroslav Janek
5. Farmers Party of Slovakia (RSS)	Pavel Delinga
6. Party of the Democratic Union of Romanies in Slovakia (SDUR)	Oskar Gatyas
7. Hungarian Civic Party (MOS)	Laszlo Nagy
8. Trend of the Third Millennium (TTT)	Peter Mudry
9. Slovak National Party (SNS)	Jan Slota
10. Liberals (L)	Pavol Weis
11. Republican Party (RS)	Ivan Duris
12. Party of National Prosperity (SNP)	Rudolf Pardubsky
13. Party of Free Democrats in Slovakia (SSD)	Juraj Stracelsky
14. Slovak People's Party (SLS)	Jozef Prokop
15. Slovak National Congress-Party of Christian Democracy (SNR-SKD)	Tibor Bohm

16. Christian-Catholic Party	Margita Hudecova
17. Party of Democratic Left (SDL)	Peter Weiss
18. Slovak Extraparliamentary Assembly (SMS)	Frantisek Satura
19. Romany Civic Initiative in the Slovak Republic (ROISR)	Jan Kompus
20. Slovak National Unity (SNJ)	Stanislav Panis
21. Communist Party of Slovakia (KSS)	Vladimir Dado
22. Social Democratic Party of Romanies in Slovakia (SSDR)	Dezider Olah
23. Civic Party of Slovakia (OSS)	Jozef Kadlecik
24. Labor Party (SP)	Julius Olexa
25. Green Party in Slovakia (SZS)	Jozef Pokorny
26. Hungarian People's Party (MLS)	Julius Popely
27. Union of Romany Civic Initiative in the Slovak Republic (UROI)	Jan Horvath
28. Party of Labor and Security (SPI)	Jan Farkas
29. Conservative Party of General M.R. Stefanik (KSGMRS)	Igor Loj
30. Real Social Democratic Party of Slovaks (RSDSS)	Bohumil Hornak
31. Party of Entrepreneurs and Tradesman of the Slovak Republic (SPZSR)	Vladimir Randa
32. National Union of the Health Impaired of Slovakia (NUZPS)	Stefan Garmuska
33. Party of the Democratic Center of Slovakia (SDCS)	Ivan Cavajda
34. Association for the Republic-Republicans (ZPR/REP)	Jozef Horvath
35. National Democratic Party-New Alternative (NDS-NOA)	Ludovit Cernak
36. Democratic Union of Slovakia (DU)	Jozef Moravcik
37. Association of Workers of Slovakia (ZRS)	Jan Luptak
38. Freedom Party (SL)	Silvester Minarovic
II. Political Movements	**Statutory Representative**
1. Christian Democratic Movement (KDH)	Jan Carnogursky
2. Coexistence-Egyutteles-Wspolnota-Souziti (ESWS)	Miklos Duray
3. Farmers Movement of the Slovak Republic (HPSR)	Jozef Juhas
4. Hungarian Christian Democratic Movement (MKDH)	Vojtech Bugar
5. Movement for the Development of Universities and Education (HRUSV)	Jozef Kosiciar
6. Movement for the Liberation of Slovakia (HzOS)	Peter Blasko
7. Slovak National Democratic Movement (SNDH)	Peter Brnak
8. League of Romany Unity (LRJ)	Alojz Pompa
9. Social-Christian Union (SKU)	Julius Balak
10. Movement for a Democratic Slovakia (HZDS)	Vladimir Meciar
11. Movement for the Freedom of Speech (HZSP)	Jan Molnar
12. Slovak League Movement (HSL)	Juraj Filo
13. Workers Forum-Workers Party of Slovakia (FR-RSS)	Milan Klobusnik
14. Christian Social Union (KSU)	Jan Klepac
15. Slovak People's Union (SLU)	Milan Mojs Kovac
16. Slovak Republican Union (SRU)	Miroslav Pulec
17. Romany Congress of the Slovak Republic (RKSR)	
18. Democratic Movement of Romanies in the Slovak Republic (DHR)	
19. Movement of People With the Lowest Living Standards (HLNZU)	Anna Markova

Kovac: No Meciar Coalition After Elections

AU1305143794 Vienna DER STANDARD in German 13 May 94 p 3

[Article by "kob": "No New Meciar Government After Elections"]

[Text] Bratislava—Slovak President Michal Kovac stated in an interview with Austrian journalists that he does not believe that Vladimir Meciar will succeed in forming a coalition after the elections in October.

Kovac, who will be visiting Austria next week, declined to answer the question of whether he would ask an election winner Meciar to form a government: "I have not yet made a decision," he pointed out.

The relevant Slovak parties—the Party of the Democratic Left (SDL), the Democratic Union (DEUS), the Christian Democratic Movement (KDH), and the Social Democrats—have already ruled out a coalition with Meciar's Movement for a Democratic Slovakia (HZDS). The parties that might support Meciar are not likely to receive 5 percent of the vote. Also, the popularity of the HZDS leader has declined, Kovac believes. "Up to 93 percent of the population used to support him, but now the percentage has dropped to 20-30 percent."

The Slovaks have gotten used to the coalition government and have started appreciating its stabilizing effect and its contribution to calming down the political climate. There are only a few left who are concerned about the sovereignty of the young state. At 4.2 percent, the economy has shrunk to a lesser extent than expected. Inflation is "not that high" at 25.1 percent.

Asked about the Slovak nuclear power plants near the Austrian border, Kovac showed understanding for Austria's concerns, stating that his country would also welcome a Central Europe free of nuclear power plants. Nuclear energy is not the only energy source in Slovakia, but "numerous things do not depend only on Slovakia. Bohunice will be closed down in the year 2002. Yet Mohovce will continue to operate."

Referring to the delicate issue of the Hungarian minority, Kovac mentioned the agreements that have been concluded with the Hungarian representatives on place-name signs in two languages and on the right to bear a name. They do not apply to towns and villages that date back to the Magyarization phase between 1876 and 1918 and to the period between 1939 and 1944. To eliminate "insinuations" between Hungary and Slovakia, a treaty on the inviolability of the borders is required. Slovakia expects positive impulses from Austria's planned entry into the European Union. "We hope we will become a neighboring country of the European Union." Austria will certainly gather "valuable experience" and pass it on to Slovakia, Kovac stressed.

Economy Minister Views East-West Conference

AU1405160394 Bratislava PRAVDA in Slovak 9 May 94 p 12

[Interview with Slovak Economy Minister Peter Magvasi by Jozef Hubel in Warsaw on 7 May: "We Are Going in the Right Direction"]

[Text] The Third East-West Conference, attended by ministers of economy, industry, and trade of the G-7 and E-10 countries, ended in Warsaw on 7 May. The aim of the conference was to map out the basic elements of economic partnership between the two groups of countries, with a view to contributing to their permanent economic growth. Our collaborator Jozef Hubel, Slovak Television correspondent in Warsaw, asked Minister of Economy Peter Magvasi a few questions on this occasion:

[Hubel] What conclusions can be drawn from the conference for Slovakia?

[Magvasi] The main conclusion is that Slovakia is going in the right direction and that ours is among the most rapidly transforming economies within the framework of the postcommunist countries. We could therefore become very interesting as a link between the East and the West.

[Hubel] We will evidently not make do without foreign investment.

[Magvasi] Direct foreign investment in the reforming countries should reach the sum of $200 billion by the year 2000, and the private sector should generate 70 percent of their gross national product. The first prerequisite of influx of investment resources is the political stability of each country. Everything else is a question of the quality, conscientiousness, and systemic approach of people, people in both the state administration and the entrepreneurial sphere. A good atmosphere for that is being created in our country.

[Hubel] But we are unlikely to catch up with the economically advanced countries by means of foreign capital alone. More than that is needed.

[Magvasi] An outstretched arm is too little. We must ourselves look for ways of catching up with the advanced world. Countries relying more on their own resources have progressed further than those relying on help from the outside. If the appropriate environment is not established, outside help is only a single, unrepeated action and has no permanent effect.

[Hubel] You have had several bilateral meetings while in Warsaw. How would you characterize the present Polish-Slovak economic relations?

[Magvasi] They can on no account be assessed positively. The two countries have a far bigger potential than is indicated by the bilateral trade turnover. This is the consequence of a certain process, which we no longer

have to analyze, however. Now we have to focus on opening better corridors for mutual trade. A contribution to this should be made by the signing of several bilateral agreements during Prime Minister Pawlak's visit to Bratislava, which is now under preparation. Until then, we should sort out some problems, including, for example, the settlement of the Polish debt toward Slovakia. In view of its industrial potential, Poland could be a far more significant partner for Slovakia than some other countries with which we have rich trade relations today.

Quarterly European Trade Statistics Reported

AU1305150794 Bratislava SLOVENSKY DENNIK in Slovak 10 May 94 p 4

[TA SR report: "Imports Exceeded Exports; Slovak Foreign Trade With European Countries in March"]

[Excerpts] Bratislava—Within the framework of foreign trade relations with European countries, the Slovak Republic exported goods worth 13,587.499 million Slovak korunas [Sk] in March 1994 (a total of Sk38,981.804 million for the first three months of the year on aggregate) and imported goods worth Sk14,052.177 million (Sk42,876,151 for the first three months).

The Czech Republic was in first place in terms of the Slovak Republic's trade volume with European countries. In March, exports to the Czech Republic accounted for 38.58 percent of all Slovak exports and 29.41 percent of all Slovak imports. Second place is held by Germany, where Slovakia exported 15.76 percent of its global exports in March and from which it imported 11.71 percent of all of its imports. The European country with the third-largest trade exchange with Slovakia is Austria; Slovak exports to Austria represent 5.40 percent of global Slovak exports and 5.90 percent of all Slovak imports. The above information was provided by Jaromir Kalincak, director general of the Central Customs Administration of the Slovak Republic. [passage omitted]

Updated Specification of Slovak Foreign Trade With Europe (in thousands of Sk)

Country	Import		Export	
	Jan-Mar	Mar	Jan-Mar	Mar
EUROPEAN UNION	10,940,445	3,552,898	12,582,709	3,992,037
Belgium	539,562	182,927	452,527	130,911
Great Britain	594,863	197,144	583,668	94,302
Denmark	208,472	82,829	71,918	22,596
France	1,164,730	304,387	861,413	289,245
Ireland	85,219	34,195	26,805	5,450
Italy	1,858,733	586,517	1,699,601	628,955
Luxembourg	63,185	29,116	58,432	29,115
Netherlands	635,773	230,375	738,047	234,011
Portugal	14,309	3,569	35,549	8,794
Greece	111,271	14,548	123,030	42,382
Germany	5,350,139	1,793,784	7,691,178	2,408,490
Spain	314,191	93,506	240,541	97,787
EFTA [EUROPEAN FREE TRADE ASSOCIATION]	3,885,624	1,315,064	2,872,449	1,144,043
Finland	368,668	155,266	122,491	62,502
Iceland	68	0	6,280	5,366
Liechtenstein	27,802	12,729	7,181	1,355
Norway	34,881	14,302	21,777	5,503
Austria	2,594,642	903,996	2,057,259	825,599
Sweden	260,708	77,534	239,095	87,168
Switzerland	598,856	151,238	418,366	156,550
VISEGRAD FOUR (CENTRAL EUROPEAN FREE TRADE ASSOCIATION)	16,082,845	5,167,628	20,011,566	7,164,804
Czech Republic	14,297,137	4,505,766	16,503,152	5,896,934
Hungary	592,192	262,263	2,413,280	908,912
Poland	1,071,937	363,117	1,093,919	358,531

[Bratislava SMENA in Slovak on 7 May on page 2 carries a 350-word TA SR report on the Slovak Republic's foreign trade results in the first quarter of the year, which provides data also for other European and non-European countries. The report reads: "The Slovak Republic's foreign trade turnover reached the value of Sk90.852 billion in the first quarter of the year and was 22.4 percent higher than in the same period in 1993. This transpires from a Slovak Statistical Office analysis of the development of the Slovak Republic's foreign trade in the first quarter of the year.

"In the first quarter, the Slovak Republic had a balance of trade surplus mainly with the countries of the European Union. The surplus amounted to Sk1.642 billion. The Slovak Republic's surplus with the FRG alone amounted to Sk2.341 billion and with the Netherlands to Sk102 million. The Slovak Republic also registered a foreign trade surplus with the countries of the Central European Free Trade Association. The surplus with these countries amounted to Sk3.929 billion, of which trade with the Czech Republic accounted for Sk2.206 billion and trade with Hungary for Sk1.821 billion.

"In the first quarter of the year, the Slovak Republic had a balance of trade deficit, in particular with the countries of the European Free Trade Association. The deficit with these countries reached Sk1.013 billion, with Austria accounting for the biggest part of this deficit—Sk537 million. In its trade with Russia in the same period, Slovakia had a deficit of Sk8.867 billion and in its trade with Ukraine a deficit of Sk112 million.

"Compared with the first quarter of 1993, the Slovak Republic's exports to the FRG went up 47.8 percent, to Hungary 40.3 percent, to Austria 22.8 percent, to Italy 73.4 percent, and to Poland 16.7 percent. On the other hand, Slovak exports to the Czech Republic were 7.3 percent lower than in the first quarter of 1993, exports to the Russian Federation declined 0.1 percent, to Ukraine 38.5 percent, to China 81 percent, to Romania 41.9 percent, and to Bulgaria 40.1 percent."]

Horn Views MSZP's Position, Prospects

AU1305180194 Budapest MAGYAR NEMZET in Hungarian 12 May 94 pp 1,5

[Telephone interview with Hungarian Socialist Party Chairman Gyula Horn by Szendrei in Miskolc on 11 May: "The Country Has To Be Put In Order"]

[Excerpts] [passage omitted] [Szendrei] Would you now have the courage to predict the final results for the Hungarian Socialist Party [MSZP] at the elections?

[Horn] Naturally, it is difficult to enter into such predictions. I would very much like our individual candidates to gain as many mandates as possible. There is a chance for the majority to win the elections. It is no accident that they had such good results in the first round. I continue to have faith in the sober judgment of the voters.

[Szendrei] Do you think it possible for the MSZP to gain an absolute majority in parliament?

[Horn] I think this is also possible. The MSZP was the party that offered the real political change, therefore, it is not out of the question for us to reach more than 66 percent.

[Szendrei] Does this mean that Hungary might end up with a one-party government?

[Horn] I continue to hope for the government to have as many political forces as possible, or for it to have their support. This would be good for the country and for handling the very serious heritage we are facing. We will have to begin putting this in order immediately after the round on 29 May. The country has to be put in order. It cannot carry on the way it is.

[Szendrei] I will ask again: Will your party be willing to govern on its own?

[Horn] If the voters wish, and if our support is so big that we can undertake this on our own, then we will. We have never yet run away from any tasks.

[Szendrei] After the first round, have you discussed a possible coalition with the Free Democrat leaders?

[Horn] No. I know that, after my accident, the Free Democrat leaders immediately spoke to [Deputy Chairman] Imre Szekeres and wished me a speedy recovery through him, but political talks did not take place between the two parties at all. [passage omitted]

[Szendrei] In the interview you gave to the Television's News program, you categorically refuted that you might be supporting Gabor Kuncze [prime ministerial candidate of the Alliance of Free Democrats] as prime ministerial candidate. Does this mean that you will apply for the prime ministerial position?

[Horn] As it has already been announced, the MSZP will hold an extraordinary congress and the party's prime ministerial candidate will be selected there.

[Szendrei] How will the MSZP begin to govern?

[Horn] First of all, it is most important to get a realistic view of the country's situation. We have only partial information on the past four years, we do not have a full view of the situation. I am afraid that, when it comes to defining the practical tasks of governing, we will find far graver details than those we are aware of at present. [passage omitted]

Attends MSZP Consultations

LD1505112094 Budapest Kossuth Radio Network in Hungarian 1000 GMT 15 May 94

[Text] The MSZP [Hungarian Socialist Party] will only decide after the results of the second round of the elections on 29 May about the candidate for prime minister. Attila Kert reports on this morning's consultations among the Socialists.

[Kert] The MSZP would like a coalition government even if—on the basis of the results of the second round—it gained an absolute majority in parliament, said Chairman of the Socialists Gyula Horn, who was today making his first public appearance since his accident. Horn stated before the MSZP parliamentary candidates: We do not want to bring into being a one-party government such as the MDF [Hungarian Democratic Forum] conducted in the past four years. He stressed once again that the MSZP does not want any kind of calling to account or taking to task in connection with the past four years.

In connection with the coalition speculations, Horn stated: After the elections, the prime minister will be provided by the party that has gained the most votes.

In connection with this, Executive Deputy Chairman Imre Szekeres noted: At the coalition discussions the MSZP will wish to clarify four issues, and these are: the new government's most important concrete tasks; the shaping of the new governmental structure and style; the social contract to be concluded with employers and the employees; and finally, the shaping of the new relationship with the opposition. All personnel issues, stressed Szekeres, can only come up in terms of a reply to this question. If, however, the coalition discussions turn out to be unsuccessful, stated the MSZP's executive deputy chairman, the MSZP will even then undertake to form a government, because otherwise new elections would have to be called, which society, in his view, would accept only with great difficulty.

At the press briefing after the debate, Horn said the new government's most important constitutional tasks were the clarification of the sphere of competence of the president of the Republic; the strengthening of the parliamentary control of government; and the enacting of the media law.

Deputy Chairman Ferenc Baja described, as the most important characteristic of the new government's structure, the fact that it will be built not on personal relationships but on a coalition agreement, and its main task will be the realization of the four-year government program.

'Suspicious' About Car Accident

LD1605103694 Budapest MTV Television Network in Hungarian 0445 GMT 16 May 94

[Text] Gyula Horn is suspicious of the circumstances of his 6 May car accident. He referred to this yesterday at a party forum:

[Begin Horn recording] I do not know what to call this accident. But, to say the least, the description of what happened to the three of us in the car is not quite correct. [end recording]

Interior Minister Imre Konya reacted to the party chairman's remark last night in a statement given to a news agency:

In Hungarian television's "Newsreel" program yesterday, Gyula Horn, chairman of the Hungarian Socialist Party [MSZP], questioned the circumstances of the accident which happened to him. If a party chairman is involved in an accident a few days before the elections, it will inevitably raise speculation. The thought has occurred to several people that Gyula Horn's enemies within the party could be behind the affair, all the more because the MSZP could benefit from an accident at the elections.

The police have no reliable information at their disposal which would support the idea of any kind of deliberate intention. However, judging from Gyula Horn's statement, one must draw the conclusion that the party chairman may have inside information from which he could have concluded that somebody made an attempt on his life. However, in this case, it is not right to make obscure statements. The evidence should be given to the police immediately, Interior Minister Imre Konya said.

MSZP's Szerekes Assesses Election Results

WS1305123094 Warsaw RZECZPOSPOLITA in Polish 13 May 94 p 21

[Interview with Imre Szerekes, deputy chairman of the Hungarian Socialist Party, by Grzegorz Lubczyk; place and date not given: "Coalition Is Not a Married Couple"]

[Text] [Lubczyk] Why did the Socialists receive so many votes in the first round of Hungarian parliamentary elections (on 8 May)? Was it because Hungarians support your program so much, or rather because they wanted to express their opposition to the activities of the present coalition?

[Szekeres] I think that there were three reasons for this outcome. First, vast numbers of people were indeed dissatisfied with the government's policy and style thus far. Second, the liberal forces were not able to offer an appropriate alternative to the coalition. And third, the four years that have passed were enough for the people not only to become familiar with our program—they observed the behavior and approach of the party in various situations—but they knew what they could expect from the Hungarian Socialist Party [MSZP]. We offered numerous examples showing that we have many experts at our disposal. I believe that we scored additional points for the degree of openness we presented.

[Lubczyk] At news conferences both you—in the absence of Gyula Horn, who is in the hospital, you are acting as the party's number one man—and your colleagues in the leadership of the MSZP state that you stand a good chance of forming the next government.

[Szekeres] We are realists and pragmatists. When we consider the possibility of forming a coalition with the Free Democrats, we know what the liberals can achieve, particularly in the area that is most important to the country: in the economy. On many issues our programs are convergent or similar. We would like to govern the country in a style different from the style presented by the current coalition with the Democratic Forum. We believe that this should be done through dialogue with the people; we also think that the people should be respected. Among our people, there are still latent forces, which are enormous. They must only be liberated and utilized in the interest of the country, which is in a crisis.

[Lubczyk] What then, is most important in the economy?

[Szekeres] Our fundamental goal is to stimulate and boost production, curb inflation, create new jobs, and consistently decrease the number of unemployed people. We also want to change the approach to the terrible social conditions in which considerable numbers of our people live, especially elderly persons.

[Lubczyk] What about foreign policy?

[Szekeres] Further integration with West Europe, tightening cooperation with our closest neighbors, and caring about the fate of the Hungarian minority abroad.

[Lubczyk] Do you include Poland among your neighbors?

[Szekeres] Unfortunately, we do not have a common border; however, I would like to emphasize that we really want to have good relations with your country.

[Lubczyk] In an interview with RZECZPOSPOLITA, Ivan Peto, leader of the "Free Democrats," did not rule out the possibility of entering into a coalition with you. However, he pointed to numerous differences in your two programs, which means that negotiations might be rather difficult.

[Szekeres] Well, we are different parties and so there must be differences. We will have experts hold interparty discussions and, if need be, we will look for compromises. We have set an initial period of six months to reach an agreement and work out a program of cooperation that I believe would be good and feasible.

[Lubczyk] Mathematical calculations suggest that you might form the new government alone. Do you not want to do that?

[Szekeres] Only a coalition guarantees a stable and strong government. Cooperation with the "Free Democrats" would broaden the social support for our future undertakings. If we do not find a partner or partners, we will have to take on this difficult task alone. I do not think, however, that we will be doing this alone.

[Lubczyk] You said "partners." Who else would you take into consideration?

[Szekeres] Certainly the parties of the present coalition are out of the question, but we have not abandoned the Federation of Young Democrats, "Fidesz."

[Lubczyk] Despite the fact that you were so fiercely attacked by their leader, Viktor Orban?

[Szekeres] You know, a coalition is not a married couple.

[Lubczyk] You are probably the only group which did not put forward its own candidate for prime minister before the elections.

[Szekeres] And we did the right thing. We wanted to show that what we wanted was not concrete posts and perches. When the final results of the elections are known, we will do this without such great emotions.

[Lubczyk] I have come across opinions among many Hungarians that a very good candidate, who might be acceptable for many parties, would be Miklos Nemeth.

[Szekeres] Nemeth is indeed enjoying great popularity in Hungary. In January, we discussed with him his participation in the elections. He said then that his contract with the European Bank for Reconstruction and Development would expire in the summer of 1995 and that he would not like to break it. We believe that after that he will take part in the political life of the country once again.

[Lubczyk] However, today the situation is different than the situation in January. If the MSZP Congress asked him to do so, I do not think he would refuse. I know that he came from London and cast his vote in Budapest.

[Szekeres] I have not spoken to him. Until the second round of elections is complete, we will not discuss the issue of a possible candidate for prime minister.

[Lubczyk] Your voters also mention Laslo Bekesi and Gyula Horn.

[Szekeres] Really, no decisions on this issue have been made.

[Lubczyk] You often say that your party is a "pragmatic party, without an ideology." How would you briefly characterize the MSZP?

[Szekeres] This is the correct name for what we are doing. We are living in a crucible of transformations, we are arranging things anew, as it were. Today it is a mistake to create an ideology that one must adjust to at a later time. I believe that a party such as ours should tread firmly on the ground, should be close to the problems of our people, should try to resolve them, so as to make this difficult life easier. Of course, we call ourselves a socialist party because we are striving for social justice. We want to be with those whose lives are difficult; we want to fight for them.

[Lubczyk] The name of your party includes the word "socialist." What is your understanding of the word?

[Szekeres] Solidarity with the people who—as they say—live from the work of their hands, fair distribution of duties, and the creation of equal opportunities.

MSZP Official Views Coalition Prospects

AU1605095194 Budapest MAGYAR HIRLAP in Hungarian 13 May 94 p 5

[Report by Pal Szombathy: "Janosi: The MSZP Is Doomed to Coalition"]

[Text] The first round of the elections resulted in voting that changed the government, and the second round will create the government. This fact has to be taken into consideration when the government is formed. From this point of view, the decisive factor is that the Hungarian Socialist Party [MSZP] is doomed to form a coalition, as is customary in all democracies, MSZP Deputy Chairman Gyorgy Janosi told NEPSZABADSAG. "It is thought-provoking that the Alliance of Free Democrats [SZDSZ] is visibly expecting an expert prime minister and the name of the party chairman [party not defined] is not even raised as a possibility in governmental roles," Janosi said.

Janosi said that now a democracy is needed that unites rather than divides the nation, and the political forces will also have to represent this. A government with the biggest possible social support will have to be formed because the example of the Hungarian Democratic Forum [MDF] showed the consequences of a rapid loss of support, Janosi pointed out. He emphasized that he would consider it improper for a single party of the three political poles to form the new cabinet. The MSZP must strive for a coalition even if it exceeds the 50-percent limit, he stated, adding that he sees a realistic 50-percent chance of this.

In Janosi's view, the MDF implemented a one-party government together with two puppet partners, and

proved that governing by one party revives the reflexes of the state party. All this can start a tragic erosion within the party within minutes. "We also have to consider the long-term interests of the left wing," he added.

For this very reason, even if the Socialists gain an absolute majority, they will have to do all they can to establish a multiparty government. The greater the MSZP's advantage is, the greater its obligation will be to make gestures and compromise solutions. According to Janosi, the chances of an MSZP-SZDSZ coalition would be greatly increased if the two parties together exceeded the two-thirds limit in parliament.

In connection with the MSZP's prime ministerial candidate, Janosi said that society expects the winning party to produce its own prime ministerial candidate. The name of the politician will have to be made public immediately after the second round, he confirmed, adding that the MSZP can only enter coalition talks if it has a candidate of its own. "We cannot enter into talks without a prime ministerial candidate, and we will have to produce the best possible candidate, although we do not yet know the result of the talks," he said. He believes that, if the candidate is a party politician, then the ministries can be given to experts, however, if the prime minister is a professional, then party politicians who also have professional expertise can be considered for the ministries.

According to Janosi, everything possible has to be done in the interest of forming a coalition, up to the final, sensible limit of compromises. Naturally, this limit also depends on yet unknown factors like the proportion of mandates and the other side's openness. The bigger party has to make gestures and the smaller one must relinquish the use of blackmail. Only this can establish confidence as a basis for the next four years' governing, Janosi said, indicating that the MSZP is not yet familiar with the proposals of the other side.

In reply to our question on [former Prime Minister] Miklos Nemeth, Janosi said that he can be excluded as a prime ministerial candidate for the MSZP, as this had been discussed before. However, it is possible, although the chance is small, that an outside third person's name will be raised as a compromise solution if the future coalition partners cannot agree.

Janosi expounded that society wishes for a social-liberal coalition that has to be placed on an as broad as possible a basis. Janosi previously considered the participation of the Federation of Young Democrats [Fidesz] a key issue, but [Fidesz Chairman] Viktor Orban "spectacularly closed the door," therefore, there is no point in thinking about this anymore.

In Janosi's view, the case of the Christian Democratic People's Party [KDNP] is completely different: Coalition with them can be excluded because of the difference of the programs, and a possible change of people in the KDNP's leadership would not solve this problem, either.

In replying to whether the MSZP wishes to create a deputy prime ministerial position, Janosi said that the MSZP had not raised this idea before because it is contrary to the program point advocating a cheaper state. However, the party is also open on this issue.

Head of TV News, Election Program Resigns

LD1305174094 Budapest Kossuth Radio Network in Hungarian 1600 GMT 13 May 94

[Text] Laszlo Juhasz, news director for Hungarian television and head of the election programs office, has resigned. He informed Deputy Chairman Gabor Nahlik of his decision on 7 May, one day before the first round of the National Assembly elections. Nahlik accepted the resignation. Laszlo Juhasz recalled that last November he accepted the position of director of news only temporarily, until the conclusion of the National Assembly elections.

Defense Minister on Cooperation With Baltics

LD1305160894 Warsaw Radio Warszawa Network in Polish 1200 GMT 13 May 94

[Text] According to Minister of National Defense Piotr Kolodziejczyk, military cooperation between Poland, Germany, and other Baltic states is very good. Kolodziejczyk is paying a visit to Germany at the invitation of German Minister of Defense Volker Ruehe. The talks are also being attended by Danish Defense Minister Hans Haekkerup.

The Polish defense minister announced that it was agreed to include Finland in cooperation, which has joined Partnership for Peace, and also Lithuania, Latvia and Estonia. He said that the first step would be a military exercise of sapper units, planned for October in Jutland and to be attended, among others, by the Lithuanians. At Denmark's request, the Poles will provide them with logistics.

Cited on Meeting With Germans, Danish

LD1305204494 Warsaw PAP in Polish 1736 GMT 13 May 94

[Text] Gdansk, 13 May—Having returned from the meeting with defense ministers of Denmark and Germany on the island of Ruegen, National Defense Minister Piotr Kolodziejczyk, speaking at Gdansk-Rebiechowo airport today, expressed his satisfaction at the course and outcome of these talks, as far as both military and political subjects were concerned.

He said that, after Poland submitted its highly esteemed presentation document for the Partnership for Peace scheme, the case of our integration with the West took on a completely new dimension.

Minister Kolodziejczyk said that, during discussions on European political matters, the issue of Russia, whose policies are largely opaque and keep changing from day to day, was on top. In such a situation, it was decided to withhold all of the diagnoses and comments on this subject until the 25 May meeting in Brussels, one day after Russian Defense Minister Grachev's presentation of Russian military doctrine and Russian attitude toward the Partnership for Peace scheme.

The meeting participants have taken a completely unanimous stand, saying that Russian participation in the Partnership for Peace scheme can only take place on identical for all, partnerlike terms, Kolodziejczyk said.

Speaking about military aspects of our participation in the Partnership for Peace scheme, Kolodziejczyk said that discussion concerned mainly the question about what could be done this year and next, so that the new status of Poland could be implemented as soon as possible. The conclusion was that we should move over from cooperation at a tactical level to cooperation at the operational level as soon as possible.

Before the end of this year, we will have participated in 18 joint exercises with NATO armed forces on Polish territory and in Western countries. Joint command and staff exercises will be held next year.

Kolodziejczyk stressed that the opening of NATO countries to cooperation in the operational art and technology sphere was a great step forward and a chance for the modernization of our armed forces.

During the meeting, the Danish side came out with an initiative that, as part of the Partnership for Peace scheme, cooperation with Lithuania, Latvia, and Estonia be strengthened. It was decided that, at the first stage, Sweden and Finland should take appropriate actions, and then Germany and Poland would join in.

Minister Kolodziejczyk also mentioned other actions aimed at the military integration with the West and about the Polish-German-French meeting, scheduled for July, as well as an agreement with Sweden concerning military technology.

"The pace of these actions is great, but I do not feel I am out of breath. One would like all other politicians to catch up with this pace because this is really a great opportunity for Poland," Kolodziejczyk said.

Olechowski on Foreign Policy Outlines

LD1505144094 Warsaw Radio Warszawa Network in Polish 1005 GMT 15 May 94

[Interview with Foreign Affairs Minister Andrzej Olechowski by an unidentified correspondent; place and date not given—recorded]

[Text] [Correspondent] Sir, you have presented guidelines for Polish foreign policy, and they have been adopted by the parliament. Why was there such a need just at that moment to present the prospects of Polish foreign policy?

[Olechowski] This is a traditional annual address, which just happened to take place recently. It should really have taken place a month or a month and a half ago, but the political calendar in Poland is such that governments usually change in late fall, so that is why all the annual plans are published more or less in the middle of the year. We will have to think whether we should not change the budget calendar, and other things, just as is the case in other countries in the world where political calendars are such that, for example, the budget year begins on 1 April or 1 June.

We have such a custom that annual plans, plans for a particular year, are announced around the spring season.

[Correspondent] Foreign Minister, what are the basic aims of our foreign policy, and what do we want to achieve in the very near future?

[Olechowski] I spoke about this for 45 minutes in the Sejm this week so I can only briefly say that the aims are

all classic ones. First, we want to live in a more secure world. In this respect, our foreign policy is undoubtedly a very essential tool in social actions.

Second, we want to live better and better, in the widest meaning of this word, so we can develop in an unrestrained manner when we have the best possible conditions for it.

Third, I think that each of us wants to have free contact with foreigners, to travel abroad, and to host foreigners here. These are also the tasks of foreign policy.

[Correspondent] There is a marked orientation of Polish foreign policy toward the West, but, having said that, we should not forget about the orientation toward the East.

[Olechowski] Orientation toward the West ensues from the fact that we feel connected, as it were, with that family of nations. It is there that our religion came from, it is there that our alphabet, civilization, and so on came from. Therefore, we feel we have ties to that part of the world. On the other hand, as long as there are West and East, because these directions can be blurred, the final, long-term, and most important aim would be that Europe become one whole, unified, and that there be no clear differences as we have today. We want to, and should, keep contacts with the East in every situation because you cannot not have contacts with your neighbors. This would immediately create a very dangerous situation. These relations can be closer or more distant ones, depending on how the neighbors behave, but we have to have some relations.

We always have to offer solutions, proposals that we want to have good relations with them and be friends. We have formulated such an offer, and such an offer has been accepted. There was an exchange of substantive, matter-of-fact letters between myself and [Russian Foreign] Minister Kozyrev, and now we have achieved a certain program of cooperation between two neighbors, two important countries for regional policy.

On the other hand, we disagree with how Europe should be built. We agree on the view that its final appearance should be undivided, but we see a way to achieve this differently.

[Correspondent] Poland is full of expectations of the West: We count heavily on Western help in both the economic and the political spheres. However, the past teaches us that such expectations often fail. Don't we have a similar situation now? Certain moves by Western politicians prove that they do not always understand our fears and our interests.

[Olechowski] To be polemical, in what way does the past say that we cannot count on this help?

[Correspondent] The year 1939, for instance.

[Olechowski] Perhaps there is a closer one. To be sure, we did not get $10,000 each in cash, preferably not into a bank account but in cash. But we did get, after the change of system and the undertaking of the difficulties of transformation, assistance that was significant, assistance in the stabilization of the zloty—$1 billion is no mean sum. The taxpayers there decided that this must be (?supported). We have also received significant assistance if we calculate over these past five years, and if we add up all the money that has been received from the group of the 24 most industrialized states, we would also get several billion. Also pay attention, please, to the fact that this money, these World Bank, IMF credits, could have gone elsewhere. After all, everyone in the world needs them, and there are very many countries that would wish to receive them. But they were directed to us. So, there was also a decision to be favorable. Finally, take a look at a matter as follows: We often say that the Europeam Union is protectionist, that it does not admit our goods. We are offended at this; however, without negating the fact that it is not sufficiently open, our exports there have grown over the past few years in stunning fashion. If they did not wish to admit these goods, really, then they would after all not admit them. So, this is also not so. It cannot be permitted to say that this is a closed world, that this is a world that does not want to help us, to allude to 1939—about which I also wish to say that, in the end, we won that war. So, it was also not the case that no one came with assistance. We will soon be marking the 50th anniversary of the Warsaw Rising, and we remember. We nonetheless have in our living thoughts the people who helped us here, the states that helped and the people who died helping the Poles. So, we often simplify. We ought not to do this.

[Correspondent] It is worthwhile, when speaking with you, to (?return to) Polish matters. Lately, we have had signals that there is no [word indistinct] in looking at Polish foreign policy through the basic centers of power.

[Olechowski] I do not perceive this that way beccause, please note, if any policy at all in Poland enjoys consensus, it is precisely foreign policy. I have eloquent proof of this. I have three times presented reports in the Sejm that required a vote. Two were adopted unanimously, and one had just a little opposition. So, please show me another area of policy—that is, another minister—who has attained such a result. This is not my character trait, just the fact that we all agree about these main aims. We, however, speak with different voices, and we often say various things that resound in different ways. But this does not mean that there is some sort of chaos here. Where is the chaos, and where is the lack of coherence and coordination, particularly in such concrete, day-to-day activities? We are aware of this. Ministerial politics flourished and flourish in Poland. Everyone cultivates his own little patch. That is in part perhaps the charm of our government. When one considers it a little, the Council of Ministers is a conference agreeing the views of the different ministries, and not a (word indistinct) that acts in one direction. But that is how it is conceived in essence, on principle, by the legislators. Here we propose to the government the undertaking of certain activities that will strengthen the coordinating role of the minister of foreign affairs.

Kaczynski Elected Chairman of Center Accord

LD1405180794 Warsaw Radio Warszawa Network in Polish 1400 GMT 14 May 94

[Text] By 281 votes for to three against, Jaroslaw Kaczynski was elected chairman of the Center Alliance during the Third Congress of the party, which began in Warsaw today. Kaczynski has been party leader since 1990. I expected to be elected, but I cannot hide my surprise and emotion. I consider the election to be something extraordinary, he said. It puts me under the obligation to carry on with the difficult task of uniting the center-right, Kaczynski told the delegates, who sang to him "May You Live a Hundred Years."

Jaroslaw Kaczynski and guests invited to the congress talked about the future of the center-right, which aims at building a new Poland, efficient and law-abiding and with an economy that will open up opportunities for millions of Poles.

The congress is attended by the leaders of the parties making up the Alliance for Poland confederation: Wieslaw Chrzanowski, National Christian Union; Romuald Szeremietiev, Movement for the Republic; and Kazimierz Michal Ujazdowski, Conservative Coalition.

More on Congress, Kaczynski

WS1605110094 Warsaw GAZETA WYBORCZA in Polish 16 May 94 p 3

[Article by Wojciech Zaluska: "Center Accord's Congress—Kaczynski Is Always Right"]

[Text] *Although the Center Accord [PC] lost the elections and split internally several times already, Jaroslaw Kaczynski had no problem whatsoever with retaining the post of party chairman.*

During a congress held on Saturday [14 May] and Sunday, he was supported by almost all 290 delegates. They responded to his speeches with standing ovations and voted for a list prepared by Kaczynski of candidates to the party's leadership.

Kaczynski was able to say then: "Our opponents"—he did not say who they were—"tried to destroy us using the Office of State Protection and attacks in the mass media. They did not succeed. We are stronger now than at any time in the past. The most dedicated activists have remained in the party. We have gotten rid of career-oriented ones and also of those whose assessments of the PC were based on GAZETA WYBORCZA and NIE weekly."

Just One Mistake

During his 40-minute speech, the PC chairman admitted having committed just one mistake: He was not ruthless enough when it came to opposition inside the party: He had not thrown out Olszewski's supporters earlier, and he tolerated "party do-nothings." Apart from that, he has always been right.

But leaders of other center right-wing parties made a major mistake: They refused to join forces before the 19 September elections. As a result, the center right wing has no representatives in the Sejm, even though it could have had as many as 150.

Unification of the center right wing is goal number-one for Kaczynski. He made the first step, with the Christian-National Union, the Peasant Accord, the Movement for the Republic, and the Conservative Coalition. Last week, the "five" formed a confederation named "Alliance for Poland." They will gladly accept new members. Kaczynski repeated at the congress: "We have no enemies in the right wing."

Strong Words

After a break lasting six months, Kaczynski returned to his strong anticommunist and anti-Walesa rhetoric. Depriving the Democratic Left Alliance, the Polish Peasant Party, and Lech Walesa of power is goal number-two for Kaczynski. The president is a danger to democracy and Instruction 0015 is a symbol of his rules. The postcommunists are reinstating arrangements that existed in the period of the Polish People's Republic [PRL], and they are waging a war on national traditions and the church.

Kaczynski argued that only the right wing is capable of severing ties to the PRL's legacies. Only the right wing is capable of "building a new Poland that would be free of the communist mentality."

Kaczynski wants to begin the process with a radical decommunization and file-checking [lustracja]. He announced the removal of "PRL people" from the Army, the police, the state administration, and banks.

"The Hungarian example shows that, without such measures, even four years of center right-wing rules bring bad results," Kaczynski said. He was making a reference to the recent election triumph by postcommunists in Hungary.

In Kaczynski's view, the postcommunists in Poland want to take advantage of the upcoming self-governmental elections in order to take over power in towns and villages. "It is our obligation to successfully resist the offensive," he appealed to his confederation partners.

Strzembosz for President

The entire post-Solidarity camp should come up with just one candidate in the presidential elections. The center right wing has been promoting Supreme Court Chief Justice Adam Strzembosz, but it first wants Solidarity to approve him, followed by the Freedom Union.

Dispute About Punishment

The congress was well prepared but boring. Everyone agreed with the chairman on everything, with one exception: When Kaczynski proclaimed a draft resolution calling for increasing the fight with crime, a storm broke out.

The PC chairman suggested radical measures: reinstating the death penalty, imprisoning even 13-year-old criminals, restricting conditional releases, punishing severely for drug trade and possession... Among others, former Senator Leszek Piotrowski argued with Kaczynski by saying that the restrictive ideas will get bad reception in the mass media and in Europe, with which we have been integrating.

But Kaczynski did not give up: "Crime is on the rise. The law must begin protecting victims, not criminals," he said. "One must increase police powers; murderers cannot be in a better position than their victims."

These arguments got a positive reception by the majority of candidates. The resolution was supported by 120 delegates, with 70 against.

Right-Wing Parties Form 'Alliance for Poland'

WS1305120194 Warsaw NOWA EUROPA in Polish 13-15 May 94 p 2

[Article by "SAR": "Alternative to Left Wing; Five Right-Wing Parties Form 'Alliance for Poland'"]

[Text] *The process of putting the right side of the political spectrum in order has begun. A coalition established on 10 November of last year, comprising Center Accord [PC], the Christian-National Union, Peasant Accord, the Movement for the Republic, and the Conservative Coalition, formed a confederation called the Alliance for Poland [Przymierze dla Polski—PDP]. As Kazimierz Ujazdowski told journalists on 12 May, it is a long-lasting and coherent alliance with a stable basis.*

The goal of the new movement is to establish a formation capable of replacing the governing left wing and to lay to rest fears of the left wing's rules for many years to come. According to the PDP, left-wing rules are a big waste of the nation's collective time. PC Chairman Jaroslaw Kaczynski, who will be serving in the post of confederation chairman for two months, stressed that the group is open to talks with other right-wing parties; negotiations with some of them are already under way. Acceptance of the principles contained in an ideological/program declaration is a precondition for joining the movement. Kaczynski stressed that it is a declaration of a party that is of a conservative nature and that is based on traditional, Catholic values that constitute the foundation of the group's measures. In the declaration, democracy was recognized as an intangible value, and the market economy and Poland's sovereignty were lauded. In addition, efforts to find a place for Poland in Western structures, including membership in NATO, the Western European Union, and European Union, were encouraged.

Pawlak Sure of PSL Victory in Local Elections

LD1505165994 Warsaw PAP in Polish 1335 GMT 15 May 94

[Text] Warsaw, 15 May—At the PSL [Polish Peasant Party] National Self-Government Congress on Sunday, the leader of the party, Prime Minister Waldemar Pawlak, said that, at the end of the second millennium, Poland had an open future.

The prime minister thought the domestic situation gave good grounds for optimism. In the first quarter of this year, inflation was the lowest for seven years. Unemployment is falling and production is going up. "We are doing all of this with our own, rather than borrowed, money," he added.

"We cannot turn away from either the East or the West. We should be looking everywhere for partners who want to cooperate with us in an equable manner," the prime minister said.

Emphasizing that self-government should liberate initiatives and minds "directly on the ground," Pawlak urged the congress to back bold, active, and young people, members and sympathizers of the PSL.

"Today we need courage and resolute actions. I am counting on your involvement and victory, on our winning together," emphasized the PSL chairman.

The party is going into the local government elections under the slogan "Parishes need good masters." "The majority of the parishes are rural parishes. I believe we will come out of the elections as victors. And he who runs the parishes runs the country," Senate Speaker Adam Struzik said at the end of the PSL Self-Government Congress.

Kolodko Outlines Goals, Banking Strategies

WS1605083994 Warsaw GAZETA WYBORCZA in Polish 14-15 May 94 p 21

[Article by "wk": "Kolodko Visits Bankers"]

[Text] *Deputy Prime Minister Grzegorz Kolodko has ambitious plans, and he is counting on banks to be his allies in the implementation of those plans. He spoke about what he wants to achieve while addressing bankers yesterday at the end of a conference devoted to developing the system of banking law in Central and East Europe.*

"There will be no replacement of personnel in banks, and the government has no intentions of exerting such pressures," Finance Minister Grzegorz Kolodko assured bankers yesterday. A few days earlier, there were press reports that the government would replace governing

boards in banks so as to make them support the government's economic policies more vigorously.

"I would like banks to be our allies in mobilizing the people to save more money," Kolodko said yesterday. The minister also denied rumors about plans to introduce taxes on savings and securities.

Kolodko repeated once again that, over the past five years, "one could have achieved more in the economy, and at a lower cost." He did not hear a farewell speech by Ian Hume, a World Bank representative in Poland since 1990, who said: "You can be proud of your achievements." Hume, who is ending his mission to Poland, now plans to trumpet our economic successes around the world.

The new finance minister presented his plans to the bankers. He believes he will bring down inflation (to less than 10 percent in 1997) and the budget deficit (from 4.1 percent of the GDP to 2 percent), as well as the unemployment level. In Kolodko's view, the government's economic policies will be "more socially sensitive."

Kolodko also announced that, through privatization, he will settle the issue of Poland's foreign debts: Investors will be able to buy Polish debts and then exchange them for shares of companies subject to privatization.

"We have a very good privatization program, but we also need to take care of higher budget revenues," Kolodko said. In his view, revenue from privatization was not too high over the past four years—that is, in the range of about 0.37 percent of the GDP. According to his calculations, the budget lost three times as much.

The minister promised that, in the immediate future, he will present detailed proposals and instruments with which he intends to achieve these ambitious plans.

Deputy Minister, Solidarity on Arms Industry

LD1305175494 Warsaw TV Polonia Network in Polish 2105 GMT 12 May 94

[Interview with Roman Czerwinski, deputy minister of industry and trade, and Stanislaw Glowacki, chairman of Solidarity's national armaments industry section, by correspondent Katarzyna Klukowska; place and date not given; from the "Bilans" program—recorded]

[Text] [Klukowska] There are ever more strikes and demonstrations taking place in Poland. Last Friday it was the Solidarity national armaments industry section that protested. The continuation of such policies by the government of the Polish Republic is read by the work forces of armanents industry enterprises as indicating an intention to liquidate this sector of industry. This may cause an unimaginable social explosion, for the consequences of which the Government of the Polish Republic will bear responsibility.

[Czerwinski] I think that the internal restructuring processes, supported by certain decisions at the level of both parliament and the government, the law on special regulations in the sphere of ownership transformations, constitute a certain political and economic indication of the fact that the government nonetheless is in favor of the maintenance of this industry, that this industry is necessary both for our economy and, above all, for our defense preparedness. And we will be doing what we are doing, but able to do so in the sphere of rescuing this industry.

[Klukowska] The armaments industry consists of over 80 enterprises. Just a few years ago, we earned at least several hundred million dollars from the sale of arms every year, being the third placed exporter, after the former Soviet Union and Czechoslovakia, of the countries of CEMA.

[Czerwinski] The arms trade market is nonetheless a market that is very brutal and a market for professionals. The gun scandal precisely was an example of an instance where what was in practice a private company tried, without government protection, without the protection of the special services, to strike a particular deal. It was trapped by a straightforward provocation, one that could have been discovered much earlier.

[Klukowska] It transpires that over 70 percent of the products of the armaments industry are civilian production, and it is precisely in this that many, inter alia the Ministry of Industry and Trade, see an opportunity for bringing this branch of the national economy back to health.

[Czerwinski] Were we to rest the restructuring of the industry solely upon supplies to the Polish Army, solely upon export opportunities, this industry would not be capable of getting out of this enormous trough. That is why we decided to go for, above all, legal regulations and the protection of this industry in its special role and, thus, payment for an economic mobilizaton plan, which was adopted last year, preferential treatment as regards purchases by the Ministry of National Defense, protection and assistance by government offices for export opportunities. This, of course, very often taking into account certain international implications, as also the associations between particular enterprises of ours.

[Klukowska] What is the situation of the armaments sector at this moment?

[Glowacki] Tragic. If I say that at this moment remuneration has since last year, since the notorious consultation meeting, increased in essence by 500,000 zlotys [Z] and varies around a level of Z2.8 million, this is witness to what the mood is, what the situation is in these plants, and what can possibly be expected in the near future.

[Klukowska] Is the issue just remuneration or the fact that you are producing, we as a state produce equipment that is not all bad, but for which there is no use?

[Glowacki] Also so. Also so, although this situation is subject to change insofar as the enterprises are themselves attempting to counteract it. Nonetheless, without systemic solutions, without decisions at the level of government, we will unfortunately end up stewing in our juices.

[Klukowska] When listening to trade unionists, one gets the impression that you, with your optimistic faith in the future, are nonetheless an isolated figure. They do not have such optimistic perspectives.

[Czerwinski] I think this transpires from a certain long expectation. The first signs of improvement are appearing. It seems that it is at this moment appropriate to exchange this very long expectation, these starved work forces, for concrete economic results. The year 1994 will already be the year of breakthrough. It will be a year of growth, improvement of the economic situation of both enterprises and work forces as against this background. On the other hand, we expect a clear improvement; we can expect it in the years 1995-96. The enterprises ought to return to a standard level of economic efficiency on the order of 5-6 percent [as heard]. For this year, we would wish to bring about a situation in which all of the enterprises have in practice a net profit close to zero and thus are not yet too profitable but, on the other hand, do not bring losses.

Prospects for Single-Digit Inflation Viewed

PM1305113894 Opole NOWA TRYBUNA OPOLSKA in Polish 7-8 May 94 p 7

[Article by Tadeusz Jastrzebski: "Single-Digit Inflation?"]

[Text] Hanna Gronkiewicz-Waltz, Polish National Bank chairman, said recently that inflation in Poland could be reduced to single-digit values within three to four years. In turn, Miroslaw Pietrewicz, head of the Central Planning Administration, estimated in his forecast for the next few years that, by 1997, inflation could amount to 12 percent.

If we remember that, in 1989, inflation reached more than 500 percent and that last year it still amounted to almost 40 percent, a realistic expectation of 10-percent inflation must be seen as excellent progress. Here, however, we come to the question of the true feasibility of such a result.

This year, inflation should reach some 26 percent. The beginning of the year was very good: In January and February, prices went up by a little over 1 percent (each month, of course). However, the March figures were only half as good, with price hikes of 2.6 percent. It is too early to say anything with certainty about April, but it seems that, if the results are only half as good as in March, they will be good enough in the circumstances. Inflation depends on many other things in addition to wage increases, but that factor has still to be taken seriously into consideration. Almost everyone (apart from trade union activists) insists that wage control is still essential in Poland and that allowing unrestricted wage increases is bound to result in rising inflation. Unfortunately, the situation we have witnessed since the beginning of April is starting to look like a deliberate game of provoking inflation. The president refuses to sign the neopopiwek [enterprise tax on above-normative wages] act. The prime minister says one day that we need the act, the next that we can do perfectly well without it, and the day after that that the coalition is in favor of introducing the neopopiwek after all.

The Sejm finally approved the latest version of the wage control bill, and, if all goes well, the resultant parliamentary act will come into force by mid-May. If all goes well, that is, because, although the president did agree that, for the time being, wage control is necessary, that does not necessarily mean that he will definitely endorse the new act. Let us hope he will, but, even if he does, it will be a month and a half too late. What will happen to wages and prices in that time? We only need to look at what is happening to them already. The result will be that our long-term goal—that is, single-digit inflation in a few years' time—will still be a realistic proposition, but the path leading to it will become progressivly longer and more difficult, as it has become longer and more difficult over these past few weeks. But that long-term goal is not something we are seeking in the abstract, for its own sake. This truth seems to be forgotten by those who should be most interested in good economic results because the ultimate assessment of their administration will largely depend on their performance in that sphere.

Ecological Damage at Ex-Soviet Bases Assessed

94P20738A Warsaw ZYCIE WARSZAWY in Polish 28 Apr 94 p 13

[Article by Piotr Zajdel: "The Ecological Zero Option"]

[Excerpts] The Army of the Russian Federation left Poland with a great deal of ecological damage and "souvenirs." The most dangerous of these are the pollution of the soil and the water table by chemical waste and petroleum lines. The estimated cost of the damage is approximately 52 billion zlotys [Z].

Already in the 1980's, the Polish Ecological Services tried sporadically to control pollution from some of the Soviet military bases. Most of these efforts failed because "outsiders" were not permitted to enter Soviet bases. Not until May 1992 did the situation change, after the signing of a Polish-Soviet agreement on the removal of Soviet forces from Poland. Joint inspections of both Polish and Russian bases began. The result of all of this was ecological standards that were incorporated into the agreements for transferring the former Soviet military bases to the Poles. "We have documented the magnitude of all the damage caused, and we have calculated the costs," stated Andrzej Walewski, the Main Inspector for Environmental Protection.

"The Russians left without paying for the ecological damage they committed, so, in turn, we are not going to pay them for any of the equipment they left behind," stated Walewski. According to him, Poland won the battle with a political success, while the Czechs and Hungarians incurred many costs during the Soviet pullout. "The fact that our country had documentation on the ecological damage played a great psychological role," stated Walewski.

Of 59 sites that were occupied by the Soviets, 35 had the potential to be ecological hazards. The National Inspector for Environmental Protection chose 21 sites believed to be the most contaminated. The inspections included all of the air bases, large fuel depots, ammunition dumps, and firing ranges.

Tests were conducted on underground water to see if there was chemical contamination. "Water was inspected both above and below ground. Also, the damage done in forests and on roads and contamination from chemical and nuclear weapons were examined," stated Walewski. These tests were conducted on the grounds of the bases and around them. Hydrological tests are being conducted on a wide scale by using bore-hole methods. Physiochemical tests of the water and water table are being done in specialized laboratories. The tests are conducted at government expense, and, to complete them, it is estimated that the cost will be approximately Z14 million.

The tests are being funded by Polish zlotys exclusively and under the direction of the Ministry of Environmental Protection. The Military Technical Academy will also participate in the tests in tandem with other research groups.

The damage may be assessed at Z52.2 billion. "This is a rather abstract sum, a sum we would have to pay in order to fully recultivate the land," stated Walewski. [passage omitted] The majority of the funds will come from the national budget. The Environmental Protection group has developed a special ranking in terms of money and in terms of which area will be "cleaned" first. The cleaning will take place first in the most contaminated areas. These areas are: Kluczewo, in the Szczecin voivodship; Brzeg, in the Opole voivodship; and Swinouscie and Borne Sulinowo in the Koszalin voivodship. Let us not forget that the Soviet forces were stationed on Polish soil from World War II until 17 September 1993, over an area of 70,000 hectares and 59 bases. Their stay was legitimized by an agreement between the People's Republic of Poland and the Soviet Union.

Christopher Informs Izetbegovic of U.S. Stance

LD1405211994 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 2000 GMT 14 May 94

[Text] Alija Izetbegovic, president of the Bosnia-Herzegovina Presidency, has had a telephone conversation with U.S. Secretary of State Warren Christopher. Christopher called President Izetbegovic to inform him about the U.S. standpoint on the resolution of the situation in Bosnia-Herzegovina. The United States believes the Bosnian side will not miss this opportunity for peace and that a solution can be found in the plans put forward by the international community's contact group for Bosnia-Herzegovina. President Izetbegovic reiterated our resolve to persevere with the peace process and said that the Bosnian side was very clear on this subject and that at the same time, it also demanded respect for the vital interests of Bosnia-Herzegovina as a unitary state.

Izetbegovic on Federation, Contact Group

LD1405213594 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 2000 GMT 14 May 94

[Passages within quotation marks are recorded]

[Text] [Unidentified correspondent] First of all, President Izetbegovic analyzed the latest agreement on the Bosniak-Croat federation and the Contact Group's communique in Geneva. Speaking at a news conference in Sarajevo about the Bosniak-Croat agreement, President Izetbegovic stressed:

[Izetbegovic] "What we are interested in is their urgent implementation [sentence as heard]. We will not allow the dynamics of their implementation to be slowed down. We will try to speed up their implementation and remove obstacles in the way of achieving this.

"Regarding other things, I can only restrict myself for the moment to talking about the problem of whether or not to go to these talks—something referred to in yesterday's communique—we will go to these talks. We believe that a refusal to go to the talks will be an own goal and will only help the aggressor to continue waging the war and shift the blame on to us. We are not for war but for peace.

"As for the talks, of course—this is not a precondition—but we expect and demand that in the meantime, in the next few days, the problem of Gorazde be resolved in keeping with the NATO pact ultimatum and the corresponding resolutions. Above all, I am thinking of the withdrawal of Serb soldiers from the three-kilometer zone. This is not a precondition for attendance at the talks, but unless this happens, we believe that this must be fulfilled—of course this is not a precondition, this is a matter of carrying out of an earlier decision that was not fully respected and that brings into question the credibility of the international community, and of course brings into question the justification and the reason for organizing any conference or making any decisions if the decisions cannot later be implemented."

[Correspondent] Dwelling on yesterday's communique by the Contact Group, President Izetbegovic drew attention to both its positive and negative points.

[Izetbegovic] "Positive—because we are persevering in maintaining the integrity of Bosnia-Herzegovina and its survival within the internationally recognized borders. Positive—also because it advocates aid for reconstruction once peace is established and furthermore, because it advocates resolve for the implementation of the existing UNSC resolutions, the continuation of humanitarian aid deliveries, and the free passage of convoys, while refusing to meet the demand of the Serb side to abolish the sanctions before the negotiations begin.

"The bad points of this communique—not to say negative—we see because it mentions Bosnia-Herzegovina as a union. As you know we have opted for a federation. It also mentions the notorious 51-49 percent division [words indistinct]. At the same time, there is a certain degree of readiness in the communique to gradually abolish the sanctions.

"Finally, as far as the cessation of hostilities is concerned, we are thinking of a temporary cessation and in our opinion a four- month period is too long. A two-month period would be quite sufficient if a political resolution is desired. A four-month period is unacceptable."

Federation Leaders To Be Elected at End of May

LD1305191494 Zagreb HTV Television in Serbo-Croatian 1730 GMT 13 May 94

[Text] Our reporter has just told us that a few minutes ago the Croatian and Muslim delegations ended their meeting held at the Croatian mission. They have agreed, among other things, to set up, within the next seven days, a commission in charge of missing persons. The commission will be set up on a parity basis. Toward the end of the month, the Constitutional Assembly of the Bosnia-Herzegovina federation will meet to elect the federation's president and prime minister, and pass several laws.

Croatian Leader: Serbs Refuse To Enter Federation

LD1405204094 Zagreb HTV Television in Serbo-Croatian 1730 GMT 14 May 94

[Excerpts] The Croatian and Bosniak delegations, in addition to numerous guests from the diplomatic corps in Geneva, were present at the ceremony to mark the Vienna agreement. At the end of the month, according to the Zubak-Silajdzic [Croat-Bosniak] agreement, the Vienna agreement will be crowned with the election of the president and prime minister of the federation and the passing of several laws on the constituent assembly.

At a Croat-Bosniak meeting with the U.S. team, which included, apart from Warren Christopher, Ambassadors Charles Redman and Victor Jackovich, U.S. ambassador

to Bosnia-Herzegovina, Kresimir Zubak, president of the Herzeg-Bosna Presidential Council, thanked the U.S. side, which is hoping for better coordination between the Croats and Bosniaks in their international statements and during the peace process.

[Begin recording] [Unidentified correspondent] Mr. President [addressing Zubak], what did you say to Mr. Christopher?

[Zubak] I only said that we have once again confirmed—by signing the Vienna agreements—the readiness of both peoples to live together in a common state, but at the same time, we indicated that we could solve our problems in a dignified way by political means; this confirms that our two peoples can also resolve, in this way, the problems with the third people [Bosnian Serbs]. [passage omitted]

[Correspondent] Do you know what people are interested in most? What is going to happen with the Serbs? Are they still being offered entry into the federation or what?

[Zubak] They have already refused to, you know. They have rejected the idea. We want to offer this to them every day, of course. It was a serious offer. If I may put it this way, it was a noble offer, after everything that has happened. They have rejected it. Those representing the Serb aggressors at the moment could be replaced by others. It is possible that we could make very rapid progress in our work with some other Serbs who want to live with us. [end recording]

Croatian Official on Washington Agreement

LD1405175994 Zagreb HTV Television in Serbo-Croatian 2140 GMT 13 May 94

[Interview with Dr. Jadranko Prlic, prime minister of the Croat republic of Herceg-Bosna, by an unidentified announcer; from the "Picture Versus Picture" program—live]

[Excerpts] [Announcer] Here in the Picture Versus Picture studio we have Dr. Jadranko Prlic, prime minister of the Croat republic of Herceg-Bosna. Good evening. Thank you for finding time after your long meeting in the Presidential Palace to come here to explain the circumstances under which this meeting took place and, of course, the whole story of the signing ceremony in Geneva tomorrow. First of all, at their meeting today Croatia's state and political leadership and 140 representatives of the Croatian people in Bosnia-Herzegovina discussed the implementation of the Washington Agreement. What is your impression of the meeting? It went on for quite a long time. Does that mean that there were disagreements?

[Prlic] It was a frank meeting. First of all, various views were voiced. But, in my view, not for a moment did the meeting question the existing policy of the Croatian Democratic Union [HDZ] and its implementation, the policy embodied above all in the Croat republic of Herzeg-Bosna and, by implication, in the concern for all the Croats who continue to live beyond the borders of the Croat republic of Herzeg-Bosna but remain the concern of the relevant bodies in the Croat republic of Herzeg-Bosna.

As I said, the talks were frank and ended in an atmosphere of support for the Washington Federation Agreement. Of course, there were various views on the maps as published yesterday, or rather the day before yesterday. This is understandable, one day after the event every new version, every new map provokes different reactions depending on the location. However, when all this was seen in the context of realizing the Croatian interest in Bosnia-Herzegovina, the interests of all Croats in Bosnia-Herzegovina, and in view of the opportunities the agreement will give to the Croats in Bosnia-Herzegovina, the conclusion was reached that, nevertheless, this agreement will help to realize the fundamental goals of the Croatian people in Bosnia-Herzegovina.

[Announcer] I can see that you have stubbornly and tendentiously been insisting on saying the Croat republic of Herceg-Bosna. Does it exist and will it exist, and to what extent does what you call the Croat republic of Herceg-Bosna correspond territorially to the maps agreed upon in Vienna?

[Prlic] I have not been tendentious in any way. One can, without being tendentious, speak about something, about what he wants to do....

[Announcer, interrupting] I mean, you deliberately placed stress on that.

[Prlic] In the areas under the control of the Croatian Defense Council [HVO] the people and all refugees from other areas are being born and die as citizens of the Croat republic of Herceg-Bosna. Birth and death certificates, the flag—in other words, the Croat republic of Herceg-Bosna is a reality, it is an instrument that has made it possible for us to attain the goal that we have just achieved. The Croat republic of Herceg-Bosna is a state mechanism that helps to secure the care, the logistics, wages for HVO units and fighters, tens of thousands of them, for the police of the Croat republic of Herceg-Bosna, for all those employed in education, in primary and secondary schools, the University of Mostar, health workers, pensions. [passage omitted]

[Announcer] When you speak about the Croat republic of Herceg-Bosna, do you also include the two so-called mixed cantons?

[Prlic] The Croat republic of Herceg-Bosna will continue to exist until the agreement on the federation between Bosniak Muslims and Croats in Bosnia-Herzegovina is implemented. We will not allow a vacuum in this process. Life must go on, daily needs must be met, and we are here to remain to the end. Later, this will be transformed into the authorities in individual counties and

mixed cantons, and in the methods as agreed in the agreement on the Constitution.

[Announcer] When you said that the meeting in the Presidential Palace was frank, that differing views were put forward, I expect that among these differing views the most controversial one was the mixed, so called Mostar-Neretva Canton....

[Prlic, interrupting] And the canton of Central Bosnia.

[Announcer] This came as a surprise to the people of Herceg-Bosna.

[Prlic] Well, in some way it did. But in view of the alternatives, I consider this solution a better one. It is a guarantee to both the Croat and the Bosniak Muslim people that they will be able to exercise parity within the two mixed cantons of Central Bosnia, and the area from Konjic to the point where Bosnia-Herzegovina has access to sea, i.e. Neum. I think that what is ahead of us are different forms of struggle. No, not a struggle, but of a normal life of fighting to realize one's national rights, language and all that stems from it, economic goals. More prominence will have to be given to willingness, common sense, ability, more than is the case in war. In other words, capability will have to be given more prominence.

[Announcer] Listening here in Zagreb to the voices coming from Herzegovina, it seems that the people there are most surprised by the fact that Medjugorje and Citluk [predominantly Croat towns in western Herzegovina] come under one of the mixed cantons.

[Prlic] So what?

[Announcer] Well, I do not know. The people seem to be worried about it. Are you saying they have no reason to be?

[Prlic] Well, the people are worried. The first reaction was, why is Citluk, which in addition to Grude is the most Croatian of all municipalities including Croatia, and former Yugoslavia, within the mixed canton. However, Citluk will remain Citluk, Medjugorje will remain Medjugorje, the Virgin Mary [vision of her reported in Medjugorje] and everything connected with her will remain there, and I cannot see why being in the mixed canton should threaten it in any way.

[Announcer] Let us now take a look at this other Croatian canton, the Bosnian Posavina Canton. It seems to me that the proposal for its size is rather generous—it is based on the census of 1990, but most of the territory of this canton is controlled by Serb units. In your opinion, what will happen to this corridor that seems to be of exceptional importance to the Serbs. Should it be severed in some way or not?

[Prlic] This is a matter of political consent. We heard from Geneva today about this agreement between the foreign ministers on the division of the total territory of Bosnia-Herzegovina—51 percent for the Bosniak Muslim-Croat federation, that is 49 percent for the Serbs, which I do not believe will be the final version. I think there are many other options involved in this game, and that we have still not found the definitive solution. What we now have in Bosnian Posavina was a lasting objective of ours....[pauses] Those who said: Look at all the refugees, we have lost something, when will this be returned-....[pauses] I primarily value the opinions of those who invested something in this because war always has its own laws that differ considerably from those in peacetime. I believe that the Bosnian Posavina people have the right and opportunity to return to their homes, although this will be very difficult to accomplish through political dialogue. However, we should not disregard other options.

[Announcer] How do you view what the five powers have concluded in Geneva—they are in favor of the cease-fire agreement, they advocate the 51-49 percent solution, yet they also support a single Bosnia-Herzegovina in its internationally recognized borders.

[Prlic] What else could they have said? The world will not set a precedent so easily—it will not withdraw the international recognition of any state. Since the United States is backing this integrity, this option will be relevant. Whether it will be accepted as the final solution remains to be seen.

[Announcer] Let me ask you one more question: In view of the Washington Agreement and all other future options in negotiations with the Serbs—do you think the Croatian identity [Hrvatstvo—Croathood] is threatened anywhere in Bosnia-Herzegovina?

[Prlic] The Croatian identity is threatened in many parts controlled by the Muslim and Serb Armies. There is quite an outflow of people. A Herceg-Bosna Chamber of Deputies delegation will be leaving on a visit to the Croats in Bosnian Krajina on Monday [16 May], this will be a three-day visit. We expect this to materialize, we hope that they will not only stay in Banja Luka, but that they will go to other places as well—there are 2,000 Croats in Teslic, they also live in Mrkonjic Grad, Sanski Most, and Prijedor. The Croats living in these areas are a matter of constant attention and concern for the Croat republic of Herceg-Bosna.

I wish to say that the implementation of the peace agreement and the federation agreement is going well, despite all the difficulties. We have managed to achieve freedom of movement, we signed relevant protocols with the Sarajevo government—for example, our tax and customs system has been accepted in its entirety. We have regulated the free flow of not only commercial goods, but also of humanitarian convoys, including those belonging to international humanitarian organizations. We have formed a mixed group for drawing up a program for the return of refugees. We are particularly interested in this because many more Croats have left the regions now controlled by the Muslim Army than is the

case with Muslims who have left areas now controlled by the HVO. Therefore, the return of refugees is one of our vital interests. I wish to say this openly and clearly—this is of primary importance to Croatian policy in Bosnia-Herzegovina.

The realization of the construction of the overall power-generating system in Bosnia-Herzegovina is already under way, this also applies to the water supply system and the railway line from the sea toward Sarajevo. These are only some of the measures taken so far. [passage omitted]

[Announcer] Just a procedural question that does not seem to be unimportant: Will tomorrow's signature in Geneva be submitted for approval to your parliament's Chamber of Deputies?

[Prlic] The Chamber of Deputies session will be held before the constituent assembly—this was agreed this evening—and the constituent assembly is expected to ratify these acts because some of them have altered the federation's constitution adopted at the first session of the constituent assembly [sentence as heard].

[Announcer] So you believe that this will be accepted by the Chamber of Deputies.

[Prlic] All or almost all members of the Chamber of Deputies, all members of the bodies of the HDZ for Bosnia-Herzegovina, and the government of the Croat republic of Herceg-Bosna were present today. Judging by what was apparent, all this was accepted. So I do not believe any problems could crop up in this regard.

Krajisnik Praises Communique, Has 'Objections'

LD1505153094 Belgrade TANJUG Domestic Service in Serbo-Croatian 1415 GMT 15 May 94

[Text] Jagodina, 15 May (TANJUG)—Momcilo Krajisnik, the Bosnian Serb parliament speaker, told Radio Jagodina today that the joint communique by foreign ministers of the United States, Britain, France, and the European three is a significant step forward in the resolving of the Bosnia-Herzegovina crisis. The fact that everyone is for the end of hostilities and the return to negotiations is encouraging. As regards this we are not setting any conditions, for we believe that there is no alternative to peace, Krajisnik said. Expressing his optimism, Krajisnik said "peace will come soon."

Admittedly, we also have some have objections, primarily to the four-month cease-fire, for we think that a seasonal truce does not lead to an overall solution of the problem, Krajisnik said and added: But if this is a compromise needed to stop the Muslim hawks, who want to continue the war at any price, then we will agree to it. The main stumbling block in the future will be the unequal treatment of the republic of Srpska in the negotiations, Krajisnik said, and specified that he was referring to the lifting of the sanctions.

The contact group for Bosnia has not done what it should have done—that is it has not made clear to all parties involved our position—that we do not want to negotiate until the sanctions are lifted, Krajisnik said, stressing that the Serbs will firmly insist on this. The Geneva agreement definitely acknowledged two countries in the former Bosnia-Herzegovina, which is better than having three, but we are confused by the territorial division of 51 [for Bosniaks, Croats] and 49 percent [for the Serbs], Krajisnik said. According to him these percentages were used when the option of three countries in the area was being discussed.

Any division is possible, but this kind of simplified one, which does not take into consideration the relation between the quantity and quality of the territory, is not acceptable to us, Krajisnik said and added: Perhaps this decision is some misunderstanding, or it is purposeful, but one must know that one percent of Sarajevo is worth five percent of some other part of the Bosnian territory. We do not rule out any combination and the Serbs will, to enable certain corrections, cede some territory to the other side, but much less than the Muslims think we will, he said and stressed: We will cede territory because we want to show the world that we are for peace and cooperation. We have shown this many times so far, but in return our willingness to make concessions was interpreted as a sign of weakness and offensives were then launched against us, Krajisnik said and added, current Muslim attacks on Ozren and provocations around Brcko are parts of the same scenario and if they do not stop the Serbs will have to respond in kind.

Sarajevo Joint Chiefs Office Begins Operating

LD1505182594 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1700 GMT 15 May 94

[Text] In keeping with the guidelines issued by Army General Rasim Delic, chief of the General Staff of the Bosnia-Herzegovina Army, and Major General Milivoj Petkovic, the commander of the Main Headquarters of the Croatian Defense Council [HVO], the joint chiefs of staff in Sarajevo, headed by Corps General Ante Roso and Brigadier [words indistinct] officially started working today, [word indistinct] the press center of the Bosnia-Herzegovina Army.

During the transitional period, until the federation is established, the joint chiefs of staff will have the task of setting up a unified armed force of the Republic of Bosnia-Herzegovina. The work on setting up joint armed forces has been progressing in line with the existing military agreements and the political concept outlined by the Washington Agreement, as well as by the federal agreement signed in Vienna recently.

Silajdzic Calls For International Guarantees

LD1505215994 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 2000 GMT 15 May 94

[Text] The state delegation of Bosnia-Herzegovina, led by Prime Minister Haris Silajdzic, has returned to Sarajevo after extensive work at the Vienna and Geneva

talks. Haris Silajdzic said the following about their activities and the results achieved in Vienna where the Bosnian delegation held talks with a Croat delegation; and in Geneva, where a ministerial conference of the international Contact Group for Bosnia-Herzegovina was held:

[Begin Silajdzic recording] Regarding the implementation of the [Bosnian-Croat] agreement, I believe collective efforts have to be made; this cannot be done only through work of the government and a certain number of people. We all must participate to neutralize the consequences of the conflict. Most difficult will be returning people to their homes. I repeat, a collective effort is needed to execute that part of the job.

Regarding the [Geneva] communique I believe President Izetbegovic has analyzed its positive and negative sides in great detail. One could underline the problem of the continuation of the talks and the problem of guarantees. I think the international community has not committed itself regarding the continuation of the talks and the guarantees. It did set up some coordinates and a basic concept, but the obligations stemming from all this for the international community are not clear. The communique contains general clauses saying UN Security Council resolution should be respected. This is clear without the communique, but they are not being respected.

The main question is: How will this round of negotiations, which we are entering with best intentions and a desire to resolve the question peacefully, differ from the previous one? What are we talking about here? Agreements have been reached before, but there were no instruments to implement them [words indistinct]

We ask the question: If the aggressor does not join the talks—they are now making it conditional on the lifting of the sanctions—what will the international community do if they stick to this position? We cannot allow the status quo to continue—which is what the aggressor wants to achieve—on the territories conquered by force. The international community still does not have answers to this, nor adequate measures. And another question is: What happens if we reach an agreement, but the aggressor does not want to observe it? What happens then? There is no answer to this either.

The third question is the question of guarantees we had raised before, in particular at assembly sessions. What guarantees do we have that Bosnia-Herzegovina will not again become the victim of aggression, an invasion from Serbia and Montenegro? That Bosnia-Herzegovina will not again be a scene of new confrontations? We want international guarantees regarding this issue. There is no answer to any of this. We have their assurances, but no guarantees. The problem is in the credibility of the international community, the credibility whose roots have been to a large extent damaged. The question now arises: If the international community cannot resolve the question of respecting the Gorazde 3 km exclusion zone, how can it then resolve the global question of Bosnia-Herzegovina? We have not got an answer to this. We have been told the international community is working on it. Talks about this are under way, but no decision on this has yet been made. [end recording]

Serbs 'Unconditionally' Agree to Cease-Fire

LD1405174894 Belgrade TANJUG in English 1710 GMT 14 May 94

[Text] Belgrade, May 14 (TANJUG)—Bosnian Serb presidential spokesman Jovan Zametica said on Saturday [14 May] that the "Serb side accepts, unconditionally, the proposal for a general cessation of hostilities contained in the joint declaration" issued by seven states' foreign ministers in Geneva on Friday. "This, after all, has been or own proposal for a long time. But we are in favour of a permanent cessation of hostilities, not merely for four months," stressed Zametica in a statement faxed to TANJUG's Belgrade office from the cabinet of Bosnian Serb President Radovan Karadzic. "The time limit on the cessation of hostilities envisaged in the joint declaration is harmful to the peace process," maintains Zametica.

The foreign ministers of Russia, the United States, Great Britain, France and the European Union's "troika" (Belgium, Greece, Germany) on Friday invited Bosnia's warring Moslems, Serbs and Croats to agree to a four-month ceasefire, "with provision for extenscon," in which to negotiate a solution to their disputes.

The ministers, who coordinated a common strategy in the efforts to end the Bosnian conflict, invited the warring nations to make a serious effort, without prior conditions, for reaching a political settlement of the crisis. The ministers approved the European Union's formula which envisages for dividing war-shattered Bosnia-Herzegovina in a manner which would give the Moslems and Croats 51 percent of the original territory in which to form their federation, and the Serbs the remaining 49 percent.

Serbs Clash with UNPROFOR Unit Near Maglaj

LD1505184494 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1700 GMT 15 May 94

[Text] In Maglaj a general alert was sounded at about 1200 as the aggressor fired several artillery shells at the town. Fortunately, there were no civilian casualties. At the same time, Britsh UNPROFOR [UN Protection Forces] soldiers clashed with the Serbian aggressor.

[Reporter Hajrudin Ceric] First, the British were caught in fierce sniper fire from the criminals on the slopes of Mount Ozren. To protect their lives they returned fire from the small-caliber guns mounted on their combat vehicles. This was no convincing reason for the aggressor to cease fire. On the contrary, they opened up with brief but fierce bursts of fire from a Bofors gun. There was not the slightest trace of NATO aircraft in the sky as the blue

helmets were stranded in dire straits. We have unofficially learned that there are no casualties among the ranks of the UNPROFOR unit.

Serbs: Muslims Continuing Attacks in Sarajevo

LD1505195594 Belgrade TANJUG in English 1949 GMT 15 May 94

["Pool" item]

[Text] Bileca, May 15 (TANJUG)—The Moslem Army continues on Sunday to violate the cease-fire in the area of the eastern town of Gorazde, opening fire on the adjacent Serb villages. Bosnian Serb Army sources inform that the Moslems on the left bank of the Drina [River] have shelled the villages on the right bank, where the Serb population has returned after their liberation in a Serb counter-offensive which checked a Moslem offensive launched from Gorazde earlier this Spring.

The Moslem infantry on Sunday attacked the village of Bijela in the Konjic municipality in northern Herzegovina, and engaged in sporadic provocations along the entire front between Nevesinje and Mostar, the local Bosnian Serb Army command informs. Moslems have also been opening fire from a 20-mm gun and a heavy machinegun on Serb positions in Sarajevo's suburb of Ilidza.

Three Moslem snipers have been firing from the city's Dobrinja locality at the Serb residential area near Sarajevo airport. Moslems have been opening fire also from small-arms and hand-held rocket launchers in the area of the Vrbanja bridge.

Movements of Moslem troops and mechanisation have been reported from the direction of Mt Igman towards the suburb of Hrasnica, and from Butmir airport to Donji Kotorac, all in Sarajevo.

Serbs Say Muslims Using Chemical Weapons

LD1505124294 Belgrade TANJUG Domestic Service in Serbo-Croatian 1146 GMT 15 May 94

[Excerpt] Zvornik, Bratunac, 15 May (TANJUG)—In their attacks on some areas in the republic of Srpska [in Bosnia-Herzegovina] Muslim units have once again used chemical weapons, representatives of the VRS [army of the republic of Srpska] said today. Serb defensive positions on Mount Majevica and in Mala, Velika Jelaca, and Lisaca have been attacked by Muslims using shells filled with chlorine-based chemicals. In their attacks on Serbs from the Tuzla area Muslim units used chemicals on several occasions, although international conventions prohibit the use of such weapons. [passage omitted]

Army Returns to Positions in Gorazde

LD1305210794 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 2000 GMT 13 May 94

[Text] On the basis of the agreement on the demilitarization of the three-kilometer exclusion zone east of the River Drina, the command of the eastern Bosnian operational zone of the Bosnia-Herzegovina army in Gorazde has witdrawn its troops from the area of Mala Bisernica. Within the 24-hour deadline, members of our army withdrew while members of the army of the so-called republic of Srpska, who were supposed to withdraw all their forces, failed to do so. Positions in Mala Bisernica are under the control of UN Protection Force [UNPROFOR] troops. Given that the aggressors failed to withdraw their (?police), the Bosnia-Herzegovina army returned to its positions.

UNPROFOR Sights Serbian Weapons in Sarajevo

AU1605101494 Paris AFP in English 0952 GMT 16 May 94

[Text] Sarajevo, May 16 (AFP)—Three pieces of heavy weaponry have been sighted by UN military observers in a Serb-controlled neighborhood in Sarajevo, UN Protection Force (UNPROFOR) officials said here Monday. The location of the weapons—two mortar guns and an anti-aircraft canon—is in violation of the UN-imposed 20-kilometre (12-mile) exclusion zone around Sarajevo. UNPROFOR spokesman Rob Annink said the two mortar guns were sighted Sunday in Grbavica, a neighborhood overlooking the capital. Another UN military source who requested anonymity said the anti-aircraft gun was also found in the same neighborhood which is under the control of Bosnian Serbs. The Serbs earlier this month managed to sneak a tank into the region. The tank, a T-34, disappeared while being transported on a truck from Bosnian Serb headquarters at Pale in violation of the exclusion zone barring heavy weaponry around Sarajevo.

UNPROFOR Describes Fighting Around Tuzla

AU1605062894 Paris AFP in English 2203 GMT 15 May 94

[Report by Bernard Estrade]

[Text] Tuzla, Bosnia-Herzegovina, May 15 (AFP)—The main hotel in the northern Bosnian town of Tuzla was hit late Sunday by a large-caliber artillery shell fired from Serb positions, but there were no casualties. The shell hit the Hotel Tuzla at 10:15 p.m. (2015 GMT), heavily damaging a room on the building's fourth floor and part of the third floor. Two other shells landed near the hotel. An expert from the UN Protection Force (UNPROFOR), inspecting the damage, told AFP the 122mm howitzer shell had been fired from Serb positions in the south-east.

The area around Tuzla, a mainly Moslem enclave in northeastern Bosnia, has been the scene of heavy fighting

in recent days. The hotel, which is housing foreign journalists covering the fighting, lies right next to the headquarters of the Moslem-dominated Bosnian Government Army's Second Corps in charge of operations in the sector. The hotel was also occupied by visiting men's and women's basketball teams, in town to dispute the Bosnia Cup despite the fighting.

The army headquarters had been the scene Sunday afternoon of a special ceremony in which the corp's commander-in-chief, Hazim Cadic, distributed diplomas to local "patriotic personalities" to commemorate the May 15 start of hostilities in Tuzla two years ago. Firing began right after local television broadcast the ceremony, and one shell landed near the television offices.

Bosnian Serbs and Moslems have been accusing each other of preparing large-scale offensives with massive reinforcements in this strategic area. On Wednesday, shelling killed two people and seriously wounded four in the old sector of the town, not far from the hotel. The UN Protection Force spokesman for the northeast sector of the Bosnian conflict, Captain Jens Kirk, told AFP here earlier Sunday that 196 shells hit the nearby Vares sector, controlled by the Moslem-dominated Bosnian Government Army, on Saturday and a further eight shells were fired on the town early Sunday.

Vares lies aboud 45 kilometres (27 miles) south of Tuzla and straddles a maze of routes linking northeast Bosnia to Sarajevo and the Dalmatian coast. A further 100 shells rained down Saturday on the "Sapna finger" east of Tuzla, and a UN armoured patrol of Nordic troops came under automatic arms fire on both Saturday and Sunday, Kirk said. Bosnian Government forces managed over the weekend to take control of Serb positions at Vijenac Hill, near Lukavac, southwest of Tuzla.

Bosnian Colonel Ekrem Advic, head of the press service of the Bosnian Army's Second Corps, told AFP "some of the shells hitting our villages and Tuzla had been fired" from those positions. The capture by the Bosnian Army of "some 10 square kilometres" (four square miles) of land in the sector was confirmed by sources close to UNPROFOR, who linked the Bosnian offensive and the shelling of Tuzla Wednesday.

Serbian Attacks on Zvornik Area Reported

LD1505175094 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1700 GMT 15 May 94

[Excerpts] The free territory of Zvornik has been under fierce attack by the aggressor, but our soldiers are scoring new successes.

[Reporter] After the aggressor's unsuccessful attempts to break through our defense lines in the Majevica part of the front, soldiers of the 206th Gallant Brigade, aided by soldiers from Teocak, have captured important hills of Domanica Kosa, Ikovi and Suha Cesma, and are in the immediate vicinity of the TV relay station. [passage omitted]

Brave soldiers of the 206th Gallant brigade successfully repulsed all attacks and inflicted high losses in human lives on the chetniks. The remaining chetniks withdrew in panic, leaving scores of their dead behind. Unable to shift the defense lines to their advantage, the chetniks vented their frustration by firing from all available weapons on the free territory, destroying whole buildings in Vitinica, (Cakula), Medjedja, (Kobilici), Kraljevici, (Nezuk), and Zaseok. Some 1,000 highly destructive shells fell on these locations, causing vast material damage. Some civilians were killed and wounded. Despite all this, our defense lines are firm and stable. This was a report from Zvornik by the information service of the 206th Gallant Brigade.

Spokesman: UN Convoys Encountering Problems

AU1605111094 Paris AFP in English 1047 GMT 16 May 94

[Excerpts] Sarajevo, May 16 (AFP)—Three pieces of heavy weaponry have been sighted by UN military observers in a Serb- controlled neighborhood overlooking Sarajevo, UN Protection Force (UNPROFOR) officials said here Monday. The location of the weapons—two mortar guns and an anti-aircraft canon—is in violation of the UN-imposed 20-kilometre (12-mile) exclusion zone barring heavy weapons around the Bosnian capital.

UNPROFOR spokesman Rob Annink said the two mortar guns were spotted Sunday in Grbavica. Another UN military source who requested anonymity said the anti-aircraft gun was also found in the same neighborhood. Annink said negotiations were underway to transport the weapons to a collection center. But the military source said that the Serbs were refusing to budge by claiming that the weapons had been neutralized. He said that claim was baseless as the Serbs had only removed the firing pins "which could be reinstalled in two minutes." The weekend discovery of the weapons was the latest in a series of violations of the exclusion zone and a ceasefire agreed in February by Bosnia's warring factions under the threat of NATO air strikes. [passage omitted]

UN peacekeepers have also increasingly come under fire, the latest such incident occuring Sunday when a convoy was targeted in the Mount Igman region, located about 15 kilometres (nine miles) from Sarajevo. Annink said that the mostly Moslem Bosnian Army was responsible for the attack but he did not elaborate. He added that UNPROFOR convoys were encountering increasing problems in southern Bosnia. He said about 50 civilians, mainly women, have blocked part of the road linking the Croatian town of Split with the central Bosnian town of Zenica since this weekend. The women, he said, are demanding to know the wherabouts of their husbands who have gone missing and want the UN to pay them a fee for the convoys.

Inter-Muslim Fighting Reported in Northwest

LD1405175294 Belgrade TANJUG in English 1724 GMT 14 May 94

["Pool" item]

[Text] Petrovac, May 14 (TANJUG)—Fierce inter-Moslem fighting continued on Saturday for the sixth consecutive day in the Cazin Krajina, in the northwest of the former Yugoslav republic of Bosnia-Herzegovina, local Moslem media reported. Reports on the situation on the front are, however, contradictory. According to Radio Velkaton based in Velika Kladusa, the center of the Moslem Autonomous Province of West Bosnia (APZB), APZB supporters have in the past 24 hours captured a very important height near Cazin and have inflicted huge casualties and losses in equipment on the forces loyal to the Moslem authorities in Sarajevo. APZB forces have suffered, as the radio said, minimum losses.

Radio Velkaton said that troops of the army loyal to the Bosnian Moslem hardline leader, Alija Izetbegovic, are still deserting in large numbers and joining the ranks of the supporters of his moderate rival, Fikret Abdic. According to Radio Cazin, a town under control of Izetbegovic's forces, the forces loyal to Izetbegovic have managed to recapture an important portion of the territories near Cazin in the past 24 hours.

Inter-Moslem fighting has been underway in the Cazin Krajina since last October, when Abdic proclaimed the APZB opposing Izetbegovic's belligerent policy. He also immediatelly concluded peace agreements with Bosnian Serbs and Croats.

Large Number of Casualties

LD1305211594 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 2000 GMT 13 May 94

[Report by Mirza Sadikovic]

[Text] All day long, the chetniks in Grabez, the Grmusa plateau, and in the Buzin section have been launching provocations and infantry attacks and firing from anti-aircraft weapons. This morning and evening they shelled the outlying districts of Cazin. Members of the traitor Kladusa paramilitary [Fikret Abdic's forces] have been attacking the outer rim of Cazin and Todorovo. Their artillery continued to pound civilian targets in the wake of their failed attempts at infantry forays along a large stretch of the demarcation line. There is again a large number of civilian casualties following these murderous attacks. There is also a great deal of material damage.

'Discrimination' Against Non-Muslims Questioned

AU1305175894 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1300 GMT 13 May 94

[Text] In connection with the announcement issued by the cabinet of Alija Izetbegovic, president of the Presidency of the Republic of Bosnia-Herzegovina, that aid in the amount of 100 German marks will soon be given to all families of killed Muslim fighters [sehit] in Bosnia-Herzegovina, the Liberal Party of Bosnia-Herzegovina has issued the following statement:

We are very pleased with President Izetbegovic's statements and concrete activities concerning the welfare of families of killed fighters and (?killed Muslim fighters), as well as his statement that he will soon devote his endeavors to this problem alone. However, what has been left unclear is whether there was an error in the announcement or whether discrimination against killed fighters, patriots in the defense of the state of Bosnia-Herzegovina, is really being introduced, something that we cannot support. We expect the error, be it in the announcement or intentional, to be immediately corrected.

TANJUG: Daily Admits Army Receiving Weapons

LD1505135394 Belgrade TANJUG in English 1224 GMT 15 May 94

["Pool" item]

[Text] Belgrade, May 15 (TANJUG)—The Sarajevo daily LJILJAN, an organ of the Bosnian Moslem leadership, admits that the Moslem Army is receiving tonnes of weaponry despite the arms embargo, and describes large shipments that arrived in late 1992 via a military airfield in Croatia.

"There will be arms, even if the blockade is such that not even a needle can slip through," says the daily in reaction to the latest debates on exempting Moslems from the arms embargo.

In September 1991, the United Nations imposed an embargo on arms exports and imports in the entire territory of former Yugoslavia, but the breakaway republics of Croatia, Slovenia and the Bosnian Moslem government in former Bosnia-Herzegovina, as well as certain Islamic and Western countries have repeatedly violated this resolution.

A shipment of 2,000 tonnes of weaponry, for which Moslems paid 27 million dollars abroad, reached Zagreb through the Adriatic Sea in mid-September 1992, says LJILJAN as carried by the Bosnian Serb News Agency SRNA. In the night between November 24 and 25 of 1992, Moslems from foreign countries launched a ship, The Dolphin, to take 6.7 million dollars' worth of arms to Bosnian Moslems from an unnamed port to Croatia. According to the LJILJAN report, The Dolphin was carrying four cannon with around 60,000 shells, 122mm mortar sets, 700,000 12.7mm calibre bullets, 3,500 anti-tank shells, 82mm mortar sets with 1,500 shells and 10,000 122mm calibre rockets.

The cargo also included Toyota army jeeps with communications equipment used in the Desert Storm operation in the Gulf war and 10,000 modern uniforms for the

Bosnian Moslem Army. The Dolphin arrived at its destination port in late December, a month after it left dock, but it was intercepted by NATO military patrols in charge of implementing the U.N. resolution on the ban of arms shipments to former Yugoslavia. The ship was turned back and sent to Italy and the weapons and equipment were sold, LJILJAN says.

In parallel with the Dolphin operation, five Boeings left for one of Croatia's military airfields with a cargo of 90 tonnes of weaponry for the Bosnian Moslem government, including arrow missiles with launchers, 100 rpgs with around 8,000 shells. This cargo reached the Moslems in Bosnia, LJILJAN says.

The U.S. daily THE WASHINGTON POST said on Friday that an Iranian plane with at least 60 tonnes of explosives landed in Zagreb last week and that the shipment was part of the agreement between the Croatian authorities and the Bosnian Moslems to renew military operations against Serbs.

Serbian Civic Council Discusses Moscow Visit

AU1305204594 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1700 GMT 13 May 94

[Text] After returning from Moscow, members of the delegation of the Serbian Civic Council of Bosnia-Herzegovina held a news conference in Ljubljana today. Here is a report by Mahmut Lakicevic:

[Begin Lakicevic recording] The Serbian Civic Council of Bosnia-Herzegovina represents that force and initiative of the Serbian people that categorically opposes the criminal and aggressive policy of the Serbian Democratic Party and Karadzic's Army and strives for the preservation of Bosnia-Herzegovina as indivisible, sovereign, and recognized within its natural-historical borders, as well as returning of the Serbian people to its constitutive role together with the other two ethnic groups in Bosnia-Herzegovina by strictly implementing international political solutions—of course, those that do not recognize the aggressor's occupation and his (?methods) of solving the Bosnian crisis.

This was the gist of the statements Mirko Pejanovic and Miro Lazovic, members of the Serbian Civic Council, made at the news conference in Ljubljana after their official visit to Moscow. The (?continuation) of the peace process and the implementation of the Washington agreement provide an opportunity for that segment of the Serbian people in Bosnia-Herzegovina who do not recognize Radovan Karadzic's (?aggressor's) regime and the idea of a greater Serbia to join in the creation of the joint state of the three peoples in which human, civil, and national rights will be respected.

The aggressors' intention to create a greater Serbia through coercion has undoubtedly caused the greatest harm and destroyed many innocent lives above all among the Bosniak-Muslim people, but Karadzic's war expeditions have also morally and spiritually humiliated the Serb people in Bosnia-Herzegovina and set them back 100 years in history.

The Serbian Civic Council of Bosnia-Herzegovina is trying to present the real truth about the suffering of the people of Bosnia-Herzegovina, which differs from the aggressor's propaganda and is rather successful in doing so. As Mirko Pejanovic, member of the Presidency of Bosnia-Herzegovina, put it, the top Russian state leadership and church dignitaries with whom the delegation met in Moscow recently, were astounded by the fact that during the (?two-year) war in Bosnia-Herzegovina, aggressor's guns destroyed about 700 mosques, desecrated hundreds of Muslim and Croat tombs, and also ruined orthodox churches. They could learn this only from the Serbs who realistically saw into and [word indistinct] the entire outcome of the Serbian attack on Bosnia and who want to regain lost confidence and join the peaceful process of creating a united Bosnia-Herzegovina.

Lazovic pointed out that the Serbian Civic Council is more and more recognized as a partner in negotiations, and has already received invitations from many international organizations and European countries to talks about including into the Washington agreement those Serbs who consider Bosnia-Herzegovina to be their homeland. This interest exists in the guise of Bosnian Serbs in exile who are disappointed by Milosevic's policy and consider themselves to be second-class citizens, Pejanovic says, and they should be helped to return to their homeland.

The Washington agreement and the creation of the Bosniak-Croat Federation is the best opportunity for integrating the third people deceived by the illusion and sick dream of a greater Serbia whose builders and realizers should be brought before justice and the war crimes tribunal.

Bosnia-Herzegovina must retain its multinational and multicultural identity, as this is a condition of its historical and national survival which is based solely upon peace, respect for national rights, and the equality of its peoples, Mirko Pejanovic concluded at today's news conference. Members of the Serbian Civic Council were today received by Milan Kucan, president of the Republic of Slovenia. The talks held touched upon the role of the Bosnian Serbs in the Washington agreement and international cooperation between Bosnia-Herzegovina and Slovenia, as Miro Lazovic and Mirko Pejanovic are visiting that country in the role of state officials. The current issue of opening the embassy of the Republic of Slovenia in Sarajevo was touched upon in particular, as there is a large number of Slovenes who are still living on the territory controlled by the Army of Bosnia-Herzegovina and who want to take part in the economic and cultural renewal of their second homeland. [end recording]

Tudjman Condemns UN 'Inefficency' in UNPA's

LD1505184594 Zagreb HTV Television in Serbo-Croatian 1730 GMT 15 May 94

[Text] [Announcer] Croatian President Franjo Tudjman received a delegation from the town of Daruvar led by Mayor Ivan Cegledi. The delegation informed the president about the crime committed by the chetniks in which five people from Vukovje were killed, including four Croatian refugees from Bosnia-Herzegovina.

The mayor of Daruvar spoke about the difficult economic, social, and security situation. He particularly stressed that 15 people had been killed in the Daruvar municipality since the arrival of UNPROFOR [UN Protection Forces]. Despite this, the local authorities, in cooperation with UNPROFOR, have created conditions for the return of some 500 people of Serb nationality, as a sign of good will in the search for a political resolution of the crisis and a peaceful reintegration of the Croatian areas under the UNPROFOR protection into the constitutional system of the Republic of Croatia.

The delegation delivered a petition from citizens of Vukovje, demanding adequate protection against possible new crimes and the immediate departure of UNPROFOR from the area.

President Tudjman expressed his condolences over the tragic deaths and stressed that relevant state organs would, in cooperation with UNPROFOR, do their utmost to find the perpetrators of the crime and provide full protection and security to the local population. The president stressed at the same time that this was yet more evidence for the international community of an undoubtfully difficult situation in Croatian areas under UNPROFOR protection and of UNPROFOR's inefficiency. He stressed the international community had to realize what crimes by the Serb terrorists and occupiers we had to face and the Republic of Croatia could not indefinitely tolerate this situation. The president warned if UNPROFOR's inefficiency remained unchanged the world would have to acknowledge the right of the Croatian state to—after the expiry of the UNPROFOR mandate—liberate and reintegrate all its areas using all means available to an internationally recognized state.

Tudjman Sends Letter to Clinton, Christopher

LD1405182194 Zagreb Radio Croatia Network in Serbo-Croatian 1300 GMT 14 May 94

[Text] On the occasion of the completed Croat-Bosnian negotiations President Tudjman sent letters to U.S. President Bill Clinton and Secretary of State Warren Cristopher, as well as to the foreign ministers of the Russian Federation, France, Germany, Germany, Great Britain, the Kingdom of Belgium, and Greece, the president's office has reported. President Tudjman's letter to U.S. President Bill Clinton reads as follows:

Esteemed Mr. President: It is with particular pleasure that I wish to inform you that the negotiations between the Croat and the Bosnian delegations concerning the comprehensive implementation of the Washington Agreements have been brought to a successful conclusion. I would like to express particular gratitude to the U.S. Administration and to you personally, Mr. President, for your role in the search for lasting and just solutions for the achievement of peace through the realization of the Croat-Bosnian Federation and Confederation. Let me once again assure you that the Republic of Croatia will remain firmly committed to the spirit and letter of the Washington and Vienna Agreements, wishing to be a factor of stability in this part of Europe and a permanent partner of the United States in the promotion of peace and stability in this part of Europe. The leading role of your country in the achievement of a lasting political solution is crucial in this, the final stage of the peace process. Any freezing of the present state of affairs and any delay in this solution only prolongs human agony and threatens peace in the greater European area. This is why the present peace efforts of the international community should be focused on shaping the means and guarantees for the implementation of the achieved agreements and decisions of the international community. Let me remind you once again that the problems of the Serbian occupation of parts of the Republic of Croatia and the Republic of Bosnia-Herzegovina are inseparable, and let me reiterate the need to seek a lasting solution through an integral approach of the international community to the problem. Mr. President, I am firmly convinced that, with your personal involvement and the moral and every other determination of your administration, we will soon be able to focus our efforts on issues such as the return of refugees to their homes, economic reconstruction, reconciliation, and the strengthening of democratic processes to create a new, stable international order in this part of Europe. Signed, Yours Sincerely, Tudjman.

In a letter that President Tudjman sent to U.S. Secretary of State Warren Christopher and the foreign ministers of the countries that took part in the Geneva talks, President Tudjman said, inter alia: I wish to thank the governments of your countries on their support for the peace process, especially to the U.S. Government, which actively mediated in efforts to reach a solution between the Croats and the Bosnians. At the present stage of seeking a political solution in former Yugoslavia we see as decisive your determination to bring the Serbian side around to accepting a just political solution and, if necessary, impose such a solution on the forces obstructing the peace process, Tudjman said in his letter to the foreign ministers.

U.S. Asked To Support UNPA Reintegration

LD1405185394 Zagreb HTV Television in Serbo-Croatian 1730 GMT 14 May 94

[Excerpt] In Geneva, Croatia has submitted a request to the United States to lend its support in speeding up the process of the reintegration of UN Protected Areas [UNPA's] into Croatia. During a meeting with US

Secretary of State Warren Christopher, Minister Granic asked the U.S. Government to lend its firm support in the case of Croatia's borders. The meeting took place in the UN embassy in Geneva before the formal ceremony held to mark the Croat-Muslim agreement. Ministers Granic and Christopher talked about the situation in the UNPA and about bilateral relations. After a cooperation agreement was reached they stressed a need for more specific agreements between Croatia and the United States in the future.

[Begin Granic recording] One of the important topics was U.S. support to the Republic of Croatia regarding an approach to the international financial institutions, more specifically, the credits of the World Bank [word indistinct] the European Bank for Reconstruction and Development. [passage omitted]

Krajina Demands UN Disclose Cease-Fire Violations

LD1405211594 Belgrade TANJUG in English 2008 GMT 14 May 94

["Pool" item]

[Text] Knin, Serb Krajina, May 14 (TANJUG)—Serb Krajina official Mile Novakovic said on Saturday that [14 May] Serb Krajina authorities would demand that the U.N. Protection Force (UNPROFOR) clearly state which of the sides to the Krajina-Croatia conflict had violated the ceasefire, and specify the time and place of the violations. There is no reason why UNPROFOR should not say this, said General Novakovic, who chairs the Serb Krajina central board for the implementation of the ceasefire agreed between the Republic of Serb Krajina (R.S.K.) and Croatia.

R.S.K. military officials will submit a request to this effect to UNPROFOR Commander for Former Yugoslavia General Bertrand de Lapresle in Topusko on Sunday. General Novakovic stressed that the Serb side was willing to implement in full the ceasefire agreement negotiated by the two sides in Zagreb in March. This is our contribution to peace, in line with our lasting commitment to dealing with the conflict with Croatia only at the conference table, he stressed.

The R.S.K. was proclaimed in 1991 by the local Serbs in those parts within the arbitrary Communist-era borders of Croatia were they are the majority population, in response to Croatia's violent secession from former Yugoslavia and trampling on their rights. The territory was placed under U.N. protection in the Spring of 1992.

General Novakovic indicated that the number of U.N. observers patrolling the line of separation between the belligerents was not adequate, and that UNPROFOR was still not using helicopters in the control and supervision of the ceasefire. These omissions on the part of UNPROFOR have resulted in inadequate control and hence inaccurate estimates of the implementation of the ceasefire agreement, said Novakovic.

Representatives of the European Union's observer team conferred with R.S.K. military authorities at the R.S.K. capital of Knin on Saturday about cooperation and the implementation of the ceasefire agreement. The leader of the team, General Mourmouris Panagiotis of Greece, told the press that the talks had been frank, substantive and useful.

R.S.K. Army Commander General Milan Celeketic said that common ground had been found on questions of mutual interest.

Mesic Discusses Split With Tudjman

LD1505135094 Budapest Kossuth Radio Network in Hungarian 0705 GMT 15 May 94

[From the "World Clock" program]

[Excerpt] [passage omitted] There are several examples in the history of the post-communist countries of national parties and movements breaking up. Something similar is now taking place in Zagreb, where a new political formation has split off from the party of President Tudjman. Gyorgyi Orban has spoken to its leader, Stipe Mesic, who was, incidentally, the last head of state of the former Yugoslavia.

[Begin recording] [Orban] Why did the founders of the ruling Croatian Democratic Community [HDZ] leave the party? What were you dissatisfied with?

[Mesic speaking in Croatian, with superimposed translation] The HDZ has fulfilled its historical task. We, the founders of the party, together with the HDZ, led the country out of communism and laid the foundations of the democratic system. But the present-day structure of the HDZ is no longer suited to today's challenges, which need answers to the problems of creating the new Croatian state.

First, the party is becoming more and more bureaucratic in its organization and structure, and the party is directed from a center, to be more precise, from the office of the president of the republic.

Second, Croatia's policy on Bosnia-Herzegovina is two-faced. For public opinion they pretend to favor a united Bosnia-Herzegovina, whereas in fact those forces within the party which support a splinter state, the so-called Herzeg-Bosna, are becoming stronger. Gojko Susak, who is the defense minister and the party's deputy chairman, is in daily telephone contact with those in Herzeg-Bosna who sparked off the Croatian-Muslim battles. What all this means in practice is that we are playing an active part in doing ourselves harm. For if the breakup of Bosnia-Herzegovina does come about, then the probability of Croatia's territorial integrity ever being attained will diminish.

We are also critical of the way the president of the republic directs the bodies of authority. From his office

he tries simultaneously to influence the work of parliament, the government, the courts, and other important institutions.

[Orban] What are the chances of maintaining the balance in parliament in the wake of your departure from the government party? Can we expect an opposition majority?

[Mesic] There is a hard campaign going on against us, of the kind that has not been experienced since the darkest period of Bolshevism. Those who want to go over to the Independent Democrats are exposed to great pressure. One by one they are being forced, virtually daily, to withdraw or even not to leave the government party. It is not only civil servants surrounding the president of the republic, but also the president himself, who try to talk these deputies out of joining us.

As for what kind of power balance emerges in parliament, that is difficult to predict. Anything could happen. But it is impossible to alter the facts which led to the departure of the Independent Democrats. It is my conviction that opinions can only be influenced for a short time with methods such as these.

[Orban] You are the chairman of the [Croatian] Assembly, that is to say parliament. Josip Manolic, who likewise left the ruling party, is chairman of the upper house. What will happen now with your functions? Can you keep them, and could this crisis lead to the calling of early parliamentary elections?

[Mesic] Your question goes to the heart of the problem. The head of state is constantly alluding to democracy, but I feel that he does not understand its essence [words indistinct]. Because to take steps, with telephone calls, to ensure the dismissal of the speaker of the upper house cannot really be described as a democratic method. The question is not whether the speakers of the lower and upper houses of parliament remain in their posts, but what kind of power relations will develop in parliament. Parliamentary statuses cannot be changed from the presidential office. One has to sit around the table and state that the power relations have changed since the last parliamentary elections and that the functions have to be redistributed.

It is not only the Independent Democrats that have been set up since the elections of two years ago; other parliamentary parties, such as the Peasant Party, or the Istrian Democratic Alliance, have also split into several factions. So, it is not a question of dismissals but of a redistribution of roles.

[Orban] What kind of future are the Independent Democrats offering to the Croatians? What would you do differently? For example, what kind of policy would the new party conduct vis-a-vis Bosnia-Herzegovina or the Croatian Serbs?

[Mesic] I believe that a division of Bosnia-Herzegovina is unthinkable, because then it would be impossible ever again to restore the territorial integrity of Croatia. The Croatian Independent Democratic Party wishes to conduct open politics in the issue of Bosnia-Herzegovina. Its view is that the Bosnian Serbs must at all events be involved in the talks aimed at reaching a settlement. We want a Croatia that is a democratic civic state, which protects all its citizens, respects human rights, and guarantees the rights of the nationalities living on its territory. Croatia wishes to cooperate with its neighbors; it will not erect a Berlin wall along its borders. So, we would like to create a Croatia which fully accords with democratic norms. [end recording]

Valentic Discusses Country's Economic Situation

AU1305183694

[Editorial Report] Prague HOSPODARSKE NOVINY in Czech on 12 May on page 36, under the headline "Hopes of This Summer in Croatia," carries a 1,500-word interview with Croatian Prime Minister Nikica Valentic by Jirina Shrbena. The date of the interview, which took place in the Croatian resort town of Makarska, is not given. The topics discussed are solely of an economic character.

In the introduction, the author observes that prior to his appointment, Valentic was director general of the INA petrochemical plant, and that, over the 14 months in office, he managed to stabilize the economy of Croatia and launch its fundamental transformation. Privatization has started and, albeit with some problems, the banks are being financially consolidated.

"For seven months now, Croatia has recorded zero growth in consumer prices and, according to the prime minister, the annual rate of inflation will not exceed 10 percent. Foreign currency reserves increased from zero to $1.6 billion, and are expected to reach $2 billion before the year is over. The prime minister does not consider the country's foreign debt amounting to $2.8 billion to be a significant problem, especially if tourism can be brought up to its former level. Valentic regards this year's season to be a test of the Croation economy." While "this year's tourism revenues are expected to exceed 2 billion German marks [DM], they should reach the prewar level—i.e., DM6 billion—within a few years." Asked about the protection of foreign investment, Valentic said that "the government provides all the guarantees including the transfer of earnings abroad." He emphasized the internal convertibility that will also apply to the new monetary unit, the kuna, which will replace the dinar on 30 May. Replying to a question regarding the restrictions choking down business activities, Valentic said: "In order to reduce the inflation of 50 percent per month to 10 percent per year, we had to adopt radical measures. Rather than artificial, these measures are based exclusively on the economic basis. It is a combination of anti-inlationary steps in the monetary, fiscal, and wage spheres." Valentic also emphasized that a tax reform was launched—the tax legislation is harmonized with the European standard, and the rates

will be gradually reduced. Furthermore, according to him, "the orientation of the Croatian economic policy is clear and, I believe, correct, and we do not intend to change it."

The fact that "so far, the country managed to bear the burden of the conflict without any financial assistance from abroad," is explained by the prime minister by "the existence of small farms working 3 million hectares of land and producing double the amount of food Croatia consumes." Additional help is provided by Croatia's own oil and gas covering 20 percent of the total consumption, and the source of foreign currency in the form of 3 million Croats living abroad, who are responsible for an inflow of DM3 billion per year. Of course, the demand for capital is much higher and, according to Valentic, "Croatia has a moral right to foreign assistance." The first foreign credit in the amount of $138 million should be obtained from the World Bank in June, and additional credits of between $400 and $500 million from the IMF should follow before the end of the year. Refugees are a great financial burden, but a large part of the original 600,000 people already returned to their homes. The prime minister considers the return of the territory occupied by Serbs a necessary condition for solving this problem and normalization of the situation. "The principle of inviolability of the border must be the golden principle," he said.

Oil Deliveries to Slovenia Suspended

LD1305140094 Belgrade TANJUG in English 1222 GMT 13 May 94

[Text] Ljubljana, May 13 (TANJUG)—Croatia's Adriatic oil company has impounded 15,000 tons of oil the Slovenian firm Petrol of Ljubljana has bought in Russia until the Slovenian oil refinery in Lendava settles its outstanding debt of 1.4 million Deutsche marks with the Adriatic oil. Croatia has also suspended all light oil deliveries to Slovenia's only refinery in Lendava until it has paid back the 8.5 million dollars it owes to Naftaplin in Zagreb for light oil deliveries made so far. The Slovenia-Croatia silent oil war threatens to seriously undermine the already tense relations between the two neighbouring countries which seceded from the former Yugoslav federation in 1991. Relations between the two sides are especially burdened by the unresolved border and property issues, over 600 million dollars in unsettled claims of private depositors with the Ljubljanska Banka and deterioration in economic relations.

Serbs Reportedly Pumping Oil From Slavonia

AU1605090394 Zagreb GLOBUS in Serbo-Croatian 6 May 94 pp 2-4

[Article by Roman Majetic: "Three Hundred Tonnes of Oil per Day Goes to Serbia From Occupied Djeletovci"]

[Text] "Having collected the information from the Croatian authorities and the Ina oil company, and after a talk with the representatives of the Serb authorities in occupied Croatian territory, I went to the oil fields in Djeletovci to check the allegations on the spot. Following the investigation, I am submitting my report to the UN Secretary General. The report contains conclusive evidence that the Serbs in Sector East, an occupied part of Croatian territory, have been pumping oil from the wells at Djeletovci, Privlaka, and Ilaca, and shipping it to the oil refinery in Pancevo near Belgrade, in direct violation of the UN Security Council Resolution 757...." it says in the introductory part of the report submitted in late October 1992 to UN Secretary General by John P. Thomas, a US expert engaged by the United Nations to check the possibility that the embargo is being violated on the territories under the protection of the peace forces.

Questions With No Answers

John P. Thomas undertook his investigation following the frequent complaints of the Croatian Government that, in the occupied territories in eastern Slavonia, oil is being pumped daily from the sources in Djeletovci, Privlaka, and Ilaca. Although the Croatian authorities, including the Osijek police, the government, and parliament, had protested many times, and asked UNPROFOR to prevent the possible depletion of the oil fields, there was no specific response, only unspecified promises. Colonel Alexander Hromchenko, who, during 1992, was commander of Sector East, promised in early August that he would carry out an investigation in Djeletovci and inform the public of the results within a week. However, nothing ever arrived.

Although the Croatian Government asked UNPROFOR many times, the UN never confirmed whether the Serbs were pumping oil in Djeletovci. Moreover, although John F. Thomas submitted his report as early as in October 1992, stating that the Serbs were pumping oil in the occupied parts of Croatian territory, and shipping it to Serbia (thus violating the UN Security Council Resolution 757 on the economic embargo against Serbia), the Croatian Government has still not been given the information contained in the report, which GLOBUS is now publishing.

The oil wells in Djeletovci, Privlaka, and Ilaca were occupied by the Serbs in the fall of 1991, at the same time a great part of eastern Slavonia was occupied. The largest of the three wells is the one in Djeletovci, which had produced 17 percent of oil in Croatia before the war. Although the Serbs seized the area as early as in November 1991, the pumping started only in August 1992. There were several reasons for it, one of the most important being that the Serbs in that part of the occupied territory did not manage to establish a regular water and electricity supply for several months. Moreover, Djeletovci are near the occupied village of Nijemci, on the frontline. One of the reservoirs at Opatovac was seriously damaged during shelling. This is a reservoir for crude oil from Djeletovci before it is shipped to the refinery.

In spite of all the difficulties, the Serbs made great efforts to put the oil-pumping plant in working order, especially after the UN Security Council introduced the economic embargo against Serbia.

Croatian Army Reconnaissance Patrol Reports

Croatian Army reconnaissance patrols have sent many reports on activities around the oil wells. They regularly reported on trucks bringing in equipment, workers installing pumps on wells.... On the basis of these reports, the Croatian Government regularly submitted complaints. However, it was not only the Croatian authorities that asked UNPROFOR to check the information about the Serbs pumping oil from Croatian oil-wells in eastern Slavonia. The UNPROFOR headquarters received reports from its own members on the ground. For instance, L.W. Moore, UNPROFOR civilian police commander in Sector East, said, in one of the many reports, in August 1992:

"This investigation was the result of continuing allegations from the Croatian side that oil fields in the Djeletovci area which belong to Croatia were being depleted by those in authority in the UNPA at this time. In support of that allegation the Croatians advise that the technology used in the field is so advanced that pumps are not needed at the field and that oil could be shipped out underground. This matter was discussed with Osijek police on 4 August 1992 and they advise that there are pipelines from the field to Opatovac on the Danube and to Croatia. It is therefore believed that the field is operating and oil is being pumped to the storage facility in Opatovac and then moved by tanker or barge to Pancevo near Belgrade.

In support of the belief of the Croatians, two incidents were reported to this HQ by our station in Oriolik. First, on 23 July 1992 our members encountered members of the local police in the area with a trailer full of pumps. On 30 July 1992 they responded to a fire at the main office/complex, and learned that a large oil tank being repaired had accidently caught on fire. Later they were told that the fire was intentional in an effort to burn off remaining oil in the tank so that it could be repaired.

These two incidents clearly indicate that if they are not actually pumping oil, they intend to. As a result a visit was made to the pumping complex on 6 August 1992. It was an informal meeting where coffee was served. In the course of the conversation the following was learned. First it was rather evident that at this time no oil is being pumped. The complex is at present without electricity to move oil either out of the ground or to pump it to other locations. A fairly small staff is currently employed at the site during the day only. Their goal is to get the systems back in place to allow the pumping of oil, and once that is ready, there will be round-the-clock operation at the site."

Having described the difficulties the Serbs were facing, L.W. Moore concluded at the end of his report: "...at present the oil is not being pumped, but every efforts is being made to utilize the facility to supply crude oil."

Civilian Police Reports

Although UNPROFOR had been ignoring all the Croatian demands to investigate if the Serbs were pumping oil at Djeletovci, the reports made by their civilian police prompted the UN to consider the instances of obvious violations of the embargo after all. Thus, on the basis of the Special Service Agreement, UN Secretary General Butrus-Ghali engaged John P. Thomas, a US expert in oil exploitation, to determine whether oil was in fact being pumped in eastern Slavonia.

Thomas started working on this in early September 1992. He spent his first week in Zagreb, where he met with Cedric Thornberry, who showed him several UNPROFOR civilian police reports, which supported the thesis that the Serbs were preparing to exploit the oil wells. Thomas claims that Thornberry expressed his doubts about the accuracy of the reports.

Apart from talking to Thornberry and his associates, the US expert also visited Ina: "I met several very friendly people, who helped me get the real picture by supplying me with a great deal of information about the oil wells in eastern Slavonia. I talked to Mr. B. Jazbec, an engineer with 30 years of experience in Ina. I also talked to Dr. M. Zelic, production manager in Ina Naftaplin." After seven days in Zagreb, during which time he collected information about the oil wells, Thomas decided to investigate the situation on the ground. "I left for the UNPA on 14 September. I went to Erdut and stayed at the Sloboda Hotel, which does not take credit cards.

"Although I had arranged to visit the site the next day, September 15, the trip was postponed, allegedly because the local military commanders were too busy. Two days later, during the first visit, I was denied close access to the oil wells, allegedly because the entire site had been mined. However, I obtained the appropriate permits and visited Djeletovci, but was still denied access to the other two oil-wells.

"Although, during the one day visit to the oil-wells at Djeletovci, I did not see oil being pumped, the picture of the overall situation at the pumping site and all the evidence I have seen and collected undeniably indicate that the Serbs are pumping oil from the Croatian wells in Sector East. There is no doubt that the Serbs are pumping oil from the wells at Djeletovci, and it is almost certain that they are doing so with the other two wells (Ilaca and Privlaka). It is necessary to point out that the quantities of oil pumped daily at Djeletovci are not small. Therefore, the Serbs are not only violating the UN Security Resolution 757, but they are also causing the Republic of Croatia considerable material damage."

To support the conclusion of his report, Thomas supplied several pieces of conclusive evidence: "During one of the visits I came across a large number of already

installed oil pumps: see-saw pumps (horse-head shaped), hydraulic pumps, gas pumps.... Some pumps were used for pumping the oil from the wells, while others were used for loading the oil into cisterns. Although none of the pumps were working while I was visiting the wells, it was obvious that they were being regularly used. There were traces of fresh crude oil near the well, and a lot of staff around....

Oil for Pancevo

"All the former sources confirmed that the Serbs were facing two great problems that prevented them from starting to exploit the oil wells. The first problem was lack of electricity, without which it was impossible to start some of the pumps. Another problem was the poor supply of water, which is crucial for pumping. Namely, the oil in Djeletovci is pumped in a very simple way: oil reserves, which are below the ground, emerge on the surface thanks to natural pressure. However, the pressure gradually becomes weaker, which can cause the oil to stop flowing. In order to prevent that, water is poured into the well, which replaces the outflowing oil, and the pressure is thus maintained. By seeing the situation at the wells in Djeletovci, I ascertained that the Serbs had solved both problems and thus started pumping oil from the wells on a regular basis."

In his report, Thomas also stated accurate estimates on the quantities of oil that the Serbs were pumping every day: "Before the war, Croatia pumped about 700 tonnes of crude oil from the wells at Djeletovci, Privlaka, and Ilaca (255,000 tonnes of oil per year), which was a great part of the total Croatian oil production.

"With all the difficulties the Serbs faced concerning the pumping of oil (occasional power failures, lack of expert staff, being close to the Croatian Army positions), my estimate is that at least 350 tonnes of oil is pumped at Djeletovci per day, which is half the prewar production of oil at these wells, which used to make up to 17 percent of overall oil production in Croatia.

"Moreover, there are two incidents, mentioned also in the UNPROFOR civilian police reports, that also confirm that the wells are being exploited. One of the large reservoirs caught fire when the Serbs tried to repair it without having completely emptied it. Another incident mentioned by the UNPROFOR civilian police is an explosion in the village of Mirkovci near Vinkovci, in which two people were said to have been killed. The explosion occured when the Serbs were connecting an extension to the well in Djeletovci to the pipeline that leads to the refinery in Pancevo and goes through Mirkovci. They thus facilitated the underground oil transport straight to the refinery, and moved the cisterns from the roads, which, until then, transported the oil before the eyes of UNPROFOR along the 15-mile route from Djeletovci to the storage facility in Opatovac. From there the oil was transported by barge to a refinery in Pancevo, which the civilian police reports also mentioned. Traces of oil near the village of Negoslavci and on the Djeletovci- Opatovac road (near the village of Sidski Banovci) corroborate the above mentioned."

Thomas submitted his report to the United Nations in October 1992, only a month after the exploitation of the wells had started. At the time, the Serbs were pumping 350 tonnes from Djeletovci a day, which is half of the well's maximum capacity. Now, almost two years later, the Serbs continue to exploit the wells in eastern Slavonia, in which the peace forces in Sector East are not obstructing them at all.

Moreover, to this day UNPROFOR has not answered the Croatian Government on whether the Serbs were pumping oil at Djeletovci. Since the Serbs in the meantime have managed to solve all the problems concerning the water and electricity supply, it is estimated that the quantity of oil being pumped at Djeletovci daily is much greater than the initial 350 tonnes. According to some estimates of the Ina experts, as much as 900 tonnes of oil per day are currently being pumped, which is 200 tonnes more than the anticipated maximum. This exploitation of wells, which exceeds the needs of the Serbs in the occupied parts of Croatia, is not only causing great material damage to the Croatian economy, but, as the experts have stated, it could permanently destroy the oil wells in eastern Slavonia.

Admiral Views Detention of Tanker by Serbs

AU1605115094 Zagreb VECERNJI LIST in Serbo-Croatian 5 May 94 p 6

[Commentary by Admiral Davorin Kajic: "We Are Not Afraid of Serbian Gun-Boats!"]

[Text] That a Serbian missile gun-boat detained the tanker Lido in the Adriatic is an indication that serious incidents have started occurring at sea as well as on land. This was the first time that a Serbian warship so decidedly faced the blockade action of the international peace forces. There have been many instances of ships being detained or taken away, but there has never been an action of such marked confrontation. After a crew of allied commandos disembarked on the Lido, the Serbian gun-boat appeared—all this was happening some 40 miles away from the shore, which means deep in the blockade zone. The gun-boat did not make any provocation, but it tried to interfere with taking the tanker to Brindisi by its very presence.

The incident itself may seem a crazy, thoughtless act, inappropriate soldiers' behavior, but I believe it is not so. I believe that, too, was part of the general idea of military pressure and intentional provocation of tense actions, with fierce confrontation as their aim, in which firmness and military persistence in the defense of their aims would be displayed. All this has been seen many times before, lately especially around Gorazde, in the constant bombing of Croatian territory from Bosnia, in the accumulation of troops around Brcko, in the inflexibility at the demarcation lines. In the so-called UNPA's there regularly appears an odd gun or a tank, and armed

group raids and other attempts to keep the occupied territory continue. Many incidents involving UNPROFOR also show that this policy has intensified.

An Increasing Number of Incidents

Now it has started happening at sea, too. The purpose of such provocations is not to scare the allied frigate or seize a tanker, but to show that Serbia is prepared to defend the positions it has occupied, including those at sea, despite the powerful allied fleet, and to oppose the blockade. This could also be a form of additional pressure on the allies to stir up disorder, and perhaps even disunity among them.

Although we do not have the information that would account for the entire action, we can assume, judging by the logic and what followed, that other Serbian forces were also on the alert. For instance, we know that they have a certain number of warships, including submarines, in operational use. There was probably another boat ready to sail out, or else there was a submarine somewhere nearby, its task being to support the gunboat.

I believe that one of these submarines is constantly on patrol a certain distance away from their coast. Naturally, the blockade forces are doing everything necessary in anti-submarine protection. However, despite this protection, submarines are dangerous, and their aim is not only to cause unrest. We must reckon on the fact that the air forces could have appeared above the site of the incident in only a few minutes. A factor that could have added to the complexity of the situation could have been coast missile divisions. The incident occurred outside the range of tactical systems, but we know that Serbia has received extended range anti-ship missiles. At a certain time Italy was threatened by land-to-land missiles, with the range of about 1,000 km. These are unconvincing things, but they do function psychologically, within the strategy of provoking incidents. On the basis of the aforementioned, we can see that the operation was quite complex, although it seems simple and short-term. Frustration, anger, or some other emotional outburst of a commander of the Serbian fleet or some other individual in the military hierarchy should therefore be ruled out. Although individuals or navy commanders can incite such actions, this incident should also be viewed in the context of events in the air and on land.

Tension Stretched to Extremes

The same things are happening there—the tension between the Serb army and the "blue helmets" is intentionally stretched to extremes, to playing on the edge of the sword. It is a very risky game, but Serbia has decided that it has turned out to be profitable so far, as so far Serbia has been left unpunished. The Serbs have damaged several planes, downed one, killed several members of the peace forces; they arrest them, hold them hostages—about a hundred at a time—and they are not punished for it. They are, therefore, making use of the basic principles of the United Nations actions: no revenge, but prevention of great destruction, inhumane actions, and so on. This is deliberate misuse of the UN policies, which are very considerate, peaceful, and humanitarian, and highly restrained in resorting to force.

The long-announced political resolution is probably being prepared. The great powers have completed the final preparations for the final negotiations, but Serbia, with such incidents, shows a decisiveness not to withdraw from the occupied positions, that is, not to return the occupied territory. This incident shows that Serbia wants to achieve more at sea, too. The sanctions and the naval blockade have badly damaged Serbia, so it is looking for ways out at sea, too. This blockade also has to be broken, the allied fleet made to go as far away from the shore as possible. It wants to show the allied forces that this blockade does not mean much either, although this is not true, but certain negotiating positions are thus displayed. While positions are being taken, we should not be surprised if there is another such incident at sea.

The threats will probably recur. This can have negative consequences for Croatia, too. The issue of lack of safety of both cargo and tourist traffic in the Adriatic can be raised again. More such incidents would bring about, for instance, the raising of the insurance charges for ships and cargoes, and our waters would be proclaimed an unsafe zone, which means that there would be a decrease in profit from tourism and traffic. There have been no open attacks in our seas, but there is a constant danger of naval terrorist actions. The fact that there have not been any does not mean that we are not prepared to protect our sea. On the contrary!

Serb Party Leader on Treatment of Serbs

LD1305132594 Belgrade TANJUG Domestic Service in Serbo-Croatian 1157 GMT 13 May 94

[Text] Zagreb, 13 May (TANJUG)—Milan Djukic, chairman of the Serb National Party [SNP] in Zagreb, warned in a special statement for the public today that the position of the Serbs in Croatia "is no longer acceptable and can no longer be tolerated." He asked why the Serbs who remained in Croatia have become "second class citizens" and why they only have obligations and not rights stemming from the constitution. Djukic addressed a series of questions on Croatia's policies to Croatian authorities, demanding to know "whether Croatia wishes the Serbs to remain in Croatia at all," because the Croatian authorities are completely oblivious to "the manner in which the Serbs are leaving Croatia."

Djukic asked: Does Croatia want to reduce the Serbs to 8 or 5 percent of the total population of the country? He added that President Franjo Tudjman was persistently trying to explain certain facts to the public that are "counterproductive at a time when a solution to the political crisis is being sought." He cited as an example the introduction of the kuna as the new currency; the genesis of this, he said, is well known to the Serbian

people [the kuna was the legal currency in the Nazi-backed Independent State of Croatia during World War II].

Commenting on Tudjman's statement that communism had been more damaging to Croatia than fascism, Djukic assessed that this could only be acceptable to like-minded people but not to the Serbs in Croatia who are not ashamed of their contribution to the war against fascism and its domestic collaborators.

These questions are being posed at a time when, on the one hand, the Croatian people are firmly determined to build a sovereign and national state, while on the other, the Serb people in Croatia "are having to put up with an imposed political status against their will."

The Serbs that have remained in Croatia did not vote for a state belonging solely to the Croats, but for a Croatia belonging to all its citizens. They are not in favor of an obscure model of democracy—such as the national model—but of a bourgeois democracy, Djukic said.

We are in favor of Croatia's integrity, "But not at all costs—not at the cost of war," the leader of the SNP said.

ΩEconomic News Roundup

94P20759A

[Editorial Report] The following items on economic developments in Croatia are drawn from recent issues of periodicals published in the republic.

Geofizika Employees Protest Firm's Privatization

The Zagreb weekly GLOBUS reported in its 22 April issue that a few weeks earlier the director of the Geofizika enterprise in Zagreb received in his office a stranger who greeted him with: "Good morning, I am Mijo Meter, the new owner of your enterprise." Meter then presented a photocopy of a sales contract dated 29 March 1994 stating that he and two partners from the United States had purchased all of Geofizika's stock from the Croatian Privatization Fund. According to GLOBUS, Ivan Penic, president of the fund, sold Geofizika without the consent of the fund's management board. The weekly noted that it had not heard of any other case of a firm being sold without a decision by the management board. The contract, reproduced in GLOBUS, states that Meter and his partners paid 2,020,000 German marks [DM] for stock with a "nominal value" of DM845,656.08.

The arrival of the "new owner" caused "consternation" at Geofizika, GLOBUS reported. When Meter requested that all the company's files be turned over to him, the director replied that the photocopied sales contract was not adequate proof that Meter was indeed the new owner of Geofizika and that no one had officially informed the enterprise that it had been sold.

GLOBUS expressed surprise that the Croatian Privatization Fund sold Geofizika for only DM2 million, when, according to the paper, it is worth DM40 million—with "its office building and facilities alone" worth at least DM25 million. Furthermore, GLOBUS noted, Geofizika is of "strategic" worth to Croatia because it possesses valuable "top secret" documents on exploratory oil drilling throughout former Yugoslavia and in "many countries in Europe, Asia, Africa, and Central and South America." GLOBUS reported that Geofizika used to conduct geological and hydrological prospecting for INA Naftaplin, the Zagreb-based petroleum and natural gas producer and processor, and that in "late 1991 and early 1992" the two enterprises had discussed merging. Commissions had been set up and negotiations started, "but INA-Naftaplin became a state enterprise and Geofizika a public enterprise subject to the law on transformation of ownership and privatization," and thus the "district court in Zagreb could no longer register this merger."

Geofizika personnel were not informed of the court's decision until six days after the expiration of the deadline for the "self-transformation of ownership," i.e., the period in which company employees could buy the company, GLOBUS said, and, in accordance with the law, responsibility for Geofizika's privatization had been transferred to the Privatization Fund. The Geofizika workers council made a decision on 6 June 1992 to try to salvage the workers' legal right to precedence in purchasing shares of Geofizika stock, but the Croatian Privatization Fund "obviously did not accept this proposal."

GLOBUS reported that Geofizika filed a complaint at the Zagreb Commercial Court on 11 April asking that its sale to Meter and his partners be declared null and void. GLOBUS also said that the firm's employees had requested the Croatian petroleum workers trade union, the president of the republic, and numerous other government and business officials to provide "aid and protection."

Unpaid Bills Result in Power Cut-Offs in Zadar

A large number of Zadar enterprises were without electricity on Monday, 18 April. The following day's issue of the Split daily SLOBODNA DALMACIJA reported that the general director of the Croatian Electric Industry [HEP] had ordered the cut-off of power to numerous enterprises with overdue electric bills. Zadar enterprises and households owe HEP DM11.5 million, an average of three months' worth of electricity consumption per user. Zadar residents tried to prevent the cut-off of power by appealing to the county government and chamber of commerce, arguing that the state owed Zadar businesses several times the amount of the overdue electric bills for their aid to the Croatian Army and to refugees, SLOBODNA DALMACIJA reported. That did not help, the paper remarked, adding that power had been cut off "on a large scale" in business facilities and was being cut off gradually to private households.

The director of the Bagat-Zadar precision mechanics enterprise told a SLOBODNA DALMACIJA reporter that the firm, which employs about 800 workers, owed HEP DM100,000, or one-fifth of the amount the state owes Bagat-Zadar. The company will lose DM30,000 a day from the halting of its operations. The director of the Textile Industry-Zadar company said that his company owes HEP DM400,000, while the state owes the company DM200,000. According to the director, the power cut-off is costing the company DM100,000 a day.

Shares of Eight Enterprises Sold at Zagreb Auction

A total of 1,686 shares of eight enterprises were sold by the Croatian Privatization Fund for a total of DM190,200 at an 18 April auction in Zagreb, SLOBODNA DALMACIJA reported in its 19 April issue. As a result of low demand, the paper said, all the shares were sold for the minimum price. Of the shares sold, 1,054 were in the Riviera enterprise of Porec, 451 in Istraturist of Umag, 50 in Jadroplov of Split, 50 in PIK of Vrbovec, 30 in Plovidba-Holding of Losinj, 24 in Liburnija Hotels of Opatija, 20 in Jadrantourist of Rovinj, and four shares of Drava of Osijek. Except for those of Liburnija Hotels, with a price of DM1,000, all the shares sold for DM100.

Croatian-Italian Joint Venture in Rijeka

The Lumic firm in Rijeka, a Croatian-Italian joint venture, was founded two years ago and has been producing men's clothing for export with a value of DM1.5 million per month. The 20 April SLOBODNA DALMACIJA reported that the firm employs 400 workers and is located in a leased warehouse in the duty-free zone of the port of Rijeka. The firm has invested more than DM7 million in its facilities and equipment. Lumic's director told SLOBODNA DALMACIJA that the Italian partner, which is responsible for selling the clothing, is satisfied with the quality and favorable manufacturing cost of the firm's products and is ready to make additional investments. According to the director, planned expansion of the firm will cost DM25-30 million.

Federal

Lilic on Prospects for Peace in Bosnia

AU1505190294 Novi Sad TVNS Television Network in Serbo-Croatian 1730 GMT 15 May 94

[Report by Dusan Drazic]

[Text] [Announcer] On his way back from South Africa to Belgrade, President Zoran Lilic made a brief stop at Sofia airport. The two-hour stopover at Sofia airport attracted considerable attention by the media. More than 20 correspondents from foreign agencies and the Bulgarian media met President Lilic, who responded to their appeal and answered several questions concerning the peace initiatives in the settlement of the conflict in the former Yugoslavia and relations in the Balkans.

[Drazic] I hope that we are now close to peace in the former Yugoslav republic of Bosnia-Herzegovina. This was stated by Zoran Lilic, president of the Federal Republic of Yugoslavia, at a news conference in the protocol building at Sofia airport this afternoon, where he spent a short period of time on his way back to Belgrade from his official visit to the Republic of South Africa and friendly Greece.

Peace negotiations could successfully be concluded if all sides in this conflict cared for peace. According to President Lilic, the step made in Geneva on 13 May—that peace negotiations be held with the mediation of the European Union, including the United States—is a move that could guarantee the stabilization of relations in this region.

According to the Yugoslav president, the first and most important precondition in the peace negotiations is the lifting of the sanctions imposed by the UN Security Council on Yugoslavia and the equal treatment of all three sides in the conflict on the territory of the former Yugoslavia. Without acknowledging the interests of all three sides and without their agreement, it will be difficult to establish lasting peace, Lilic said. I hope the international community will also understand this. This is the correct way to finally settle the conflict in Bosnia.

One of the conditions is also not to give in under the pressure of great powers. The Serbian people in Bosnia must be granted what has already been granted to other peoples of the former Yugoslavia under the auspices of the United Nations, and this is the right to self-determination.

New Law Rules Out Autonomy for Minorities

LD1505154794 Belgrade TANJUG in English 1533 GMT 15 May 94

[Text] Kragujevac, Yugoslavia, May 15 (TANJUG)—There will be no autonomy or special status for ethnic minorities under a new bill that is shortly to be submitted to parliament for debate, says the Yugoslav human and minority rights minister. No document obligates the state to give anything like this to the minorities, said Minister Margit Savovic on Radio Kragujevac in Serbia on Sunday [15 May]. The rights enjoyed by the ethnic minorities in Yugoslavia (Serbia/Montenegro) ensure normal life and work for all their members, she emphasised. Minister Savovic was categorical that there would be no yielding to any kind of pressure in this matter, and added that there must be no difference made among the ethnic minorities and no picking and choosing which should have autonomy and which should not, because the law is the same for all.

The new bill should enable Yugoslavia to show to the world the kind of rights enjoyed by the minorities in this country, said Savovic. Asked to comment on a statement made by British Minister Douglas Hogg in Pristina, Serbia's province of Kosovo-Metohija, about a need for a dialogue between the authorities and the Albanian minority, Savovic said she was not sure what the minister had actually been referring to, but that any talks must not be to the detriment of the state. "We have many times before showed our readiness to open talks of this kind, but we cannot under any circumstances agree to talks on any form of special status. It is well known that the province of Kosovo-Metohija has autonomy and that the Albanians are not deprived in any way, but they do not want to avail themselves of it. Therefore, we cannot give more than what is provided under the constitutions of Serbia and Yugoslavia," said Savovic.

Kosovo-Metohija is being torn apart by the subversive activity of an ethnic Albanian separatist movement which is striving to detach the province from Serbia and its parent Yugoslavia and annexe it to neighbouring Albania. Under pressure from the separatist leaders, a section of the province's ethnic Albanian community has been refusing to exercise their rights to receive education in their own language and take part in the country's political life.

Industrial Production Increases by 3.4 Percent

LD1305160094 Belgrade TANJUG Domestic Service in Serbo-Croatian 1405 GMT 13 May 94

[Text] Belgrade, 13 May (TANJUG)—Industrial production has increased by 3.4 per cent in April, compared to March, Yugoslav Prime Minister Radoje Kontic said today. He told reporters that the production level in March was almost equal to the average level last year, which means that the April increase in production indicates an increase in relation to the level last year. [sentence as received]

Draft Dodgers To Face 'Use of Force'

LD1305173194 Belgrade TANJUG Domestic Service in Serbo-Croatian 1445 GMT 13 May 94

[Text] Belgrade, 13 May (TANJUG)—The relevant authorities shall warn conscripts who fail to respond to a general mobilization call up about the possibility of the

use of force, although the period of time necessary for reporting cannot be shorter than 12 hours. This is the essence of the new Federal Government regulation on the mobilization of citizens, whose Article 35, as announced by the Federal Defense Ministry's information service, says:

"If citizens-conscripts do not respond to a general mobilization call up in numbers prescribed by individual mobilization plans, relevant district bodies, that is military-territorial bodies, will order the mobilization service to directly and personally inform the conscript who failed to report and warn him about the possibility of the use of force if he does not report in a period of time not shorter than 12 hours."

One of the innovations in this regulation is that the mobilization of combat units and institutions will be carried out in due time and gradually and that, unlike what was prescribed by regulations until now, only certain institutions or parts of institutions, as well as an optimal number of conscripts needed for the consolidation of the country's defense system, will be liable to mobilization.

General Staff Denies Troops Fighting in Bosnia

LD1305144894 Belgrade TANJUG Domestic Service in Serbo-Croatian 1324 GMT 13 May 94

[Text] Belgrade, 13 May (TANJUG)—The General Staff of the Army of Yugoslavia issued a statement today reiterating that "there are no members of the Army of Yugoslavia outside of the borders of the Federal Republic of Yugoslavia, and therefore not in Bosnia-Herzegovina either."

The statement reads:

"Some false reports of a rather primitive type on the participation of units of the Army of Yugoslavia in the war in the former Yugoslavia have again appeared in some media. These articles are trying to present the Army of Yugoslavia in the same light as the units of the regular Croatian Army, whose participation in combat activities in the former Bosnia-Herzegovina is indisputable.

The General Staff of the Army of Yugoslavia has on several occasions, in connection with this, informed Yugoslav and world public that no members of its Army are outside the Federal Republic of Yugoslavia. This fact has been acknowledged several times in statements by UNPROFOR [UN Protection Forces] military officials and political functionaries of the countries whose forces are serving within UNPROFOR.

Reiterating accusations against the Army of Yugoslavia despite the facts in an atmosphere of a serious aggravation of the conflict raises the question of the motives and objectives of such risky schemes.

To assign blame for the war to an army that is not taking part in it, and to absolve of responsibility the forces that cause and aggravate it, cannot be seen in any other sense than propaganda support for the escalation of the war.

The General Staff of the Army of Yugoslavia again reiterates its commitment to the peaceful resolution of the conflict, while following with greatest attention the developments that could affect the security of the Federal Republic of Yugoslavia and the survival of the Serb people wherever they live.

There are no members of the Yugoslav Army anywhere outside the Federal Republic of Yugoslavia, and therefore not in Bosnia-Herzegovina either," the statement says.

Serbia

Churkin Calls For Talks To End Bosnian War

LD1605112994 Belgrade TANJUG Domestic Service in Serbo-Croatian 1032 GMT 16 May 94

[Text] Belgrade, 16 May (TANJUG)—Serbian President Slobodan Milosevic today received Vitaliy Churkin, the Russian president's special envoy, who arrived in Belgrade late last night. Churkin informed Milosevic about the results of the recent ministerial talks in Geneva on the resolution of the conflict in the Balkans.

After the talks with Milosevic, which lasted for 90 minutes, Churkin said in a statement to reporters that he has come to Belgrade after a very important ministerial meeting in Geneva, "where we set the framework for what is—I hope—the completion of the process to resolve the conflict in Bosnia."

Churkin said that the participants of the Geneva talks are in contact "with all sides" to explain the possible effects and the essence of the decisions taken in Geneva. In that context he recalled that he has already held talks with Bosnian Muslim Prime Minister Haris Silajdzic, but did not specify what response he received from him. He did, however, stress that "President Milosevic and Belgrade fully support the Geneva decisions on the ending of hostilities in Bosnia."

What after Geneva? The Russian envoy said that he will recommend to Yasushi Akashi, the UN secretary general's special envoy for Yugoslavia, that talks be arranged between the parties to the Bosnian conflict as soon as possible to try to achieve at least one target of the Geneva agreement—an end to hostilities.

Milosevic Begins Talks With Russian Patriarch

LD1605113694 Belgrade TANJUG Domestic Service in Serbo-Croatian 1046 GMT 16 May 94

[Excerpts] Belgrade, 16 May (TANJUG)—Serbian President Slobodan Milosevic received Aleksiy II, the patriarch of Moscow and All Russia, and Serbian Patriarch Pavle in the Presidency building today. Greeting the distinguished visitor from Moscow, President Milosevic said: "We are happy to be able to receive you and greet

you in Serbia." [passage omitted] After the welcoming speech, official talks began behind closed doors in the Presidency.

Seselj Says Bosnian Serbs Need Brcko Corridor

LD1305202694 Belgrade TANJUG in English 1950 GMT 13 May 94

[Text] Brcko, May 13 (TANJUG)—Serbian Radical Party leader Vojislav Seselj said on Friday [13 May] that the crucial battle in the Bosnian civil war would be fought in the area of Brcko in the north, because Brcko was crucial to the Bosnian Serb republic and its loss would jeopardise the Serbs' very survival. Brcko is situated in the neck of a corridor in the Sava river valley. The corridor, which is only 5 km wide at this point, links the western and eastern parts of the Bosnian Serb republic, as well as the Republic of Serb Krajina (R.S.K.) in the west and Yugoslavia (Serbia/Montenegro) in the east.

The R.S.K. was formed in [word indistinct] by the local Serbs in those parts within the arbitrary communist-era borders of Croatia where they are the majority population, in response to Croatia's violent secession from Yugoslavia and trampling on their rights. Speaking at a press conference at the close of a visit to Brcko, Seselj said that Croats and Moslems had no leg to stand on in the Sava river valley, 'even with the support of NATO, which can do little else except kill innocent civilians.'

Seselj, whose Radical Party is in opposition in the parliaments of both Yugoslavia and its constituent republics of Serbia and Montenegro, insists the Serbs must give no quarter in this battle for the survival of the western Serb states. Commenting on a map which the Croats and Moslems agreed on as the basis for their binational federation in Bosnia-Herzegovina, Seselj said that 'this is something the Americans can do in Nevada, or Arizona, where they have lots of space and can do what they please, but here, they cannot reckon without their host.'

Bosnian Moslems and Croats, who have been fighting pitched battles for territories in central Bosnia and Herzegovina for over a year, met in Washington on March 18 and, acting under strong U.S. pressure signed an accord to form a binational federation in Bosnia-Herzegovina, which would subsequently form a confederation with neighbouring Croatia.

At their U.S.-sponsored talks in Vienna earlier this week, they laid claim to 58 percent of Bosnian territory. Bosnian Serbs currently control 70 percent of the territory.

Official Comments on Status of Refugees

LD1605103294 Belgrade TANJUG Domestic Service in Serbo-Croatian 0917 GMT 16 May 94

[Text] Belgrade, 16 May (TANJUG)—The revision of the refugee status has been completed in most of the municipalities in Serbia, Slobodan Popovic, Serbian deputy commissionaire for refugees, has told TANJUG. "Between 20 and 35 percent previously registered refugees have lost their status in the municipalities which have completed the revision." Many of them are already planning to return, in most cases after the school year ends. Most of the refugees will be returning to the Banjaluka, Bijeljina, and Baranja regions," Popovic says.

The revision of the status has not been completed yet in Belgrade, Novi Sad, Sabac, Sombor, and Kragujevac, the municipalities with the largest number of registered refugees. The revision in these municipalities has been extended until the end of May. This process has been completed for between 25 and 30 percent of all refugees registered in Belgrade.

Controversial Assembly Moves in Subotica Viewed

AU1305182794 Belgrade VECERNJE NOVOSTI in Serbo-Croatian 12 May 94 p 7

[Report by M. Mitric: "They Want 'Radio Station'"]

[Text] Two national parties of the Hungarians and the Croats are "spiting" the state of Serbia and "making waves" in the domestic and international public in order to reheat the demand for [word indistinct] autonomy of the Hungarians and the cultural autonomy of the Croats from Tivat to Subotica. The Serbian Constitutional Court has, so far, quashed four failed decisions of the Subotica assembly and, some time soon, it is supposed to discuss the statute according to which the Croatian language is in official use in Subotica.

When this decision was being passed recently, Jelisaveta Palfi, who was the secretary of the communal assembly then, warned the councillors that these proposals do not adhere to the Constitution and the law and for doing so she earned "a dismissal" at one of the following sessions of the communal assembly. Her fate was shared by Erika Sarvat-Barati, secretary of the communal assembly in Senta, whom the councillors suspended from work merely because she warned them that they cannot annul the Serbian laws and Constitution by raising their hands.

Milovan Salatic, president of the district court in Subotica says that with the introduction of the Croatian language as an official one, the FRY Constitution has been violated:

"The Constitution stipulates that the Serbian language of the ekavian and ijekavian diction and the Cyrillic script is officially used in FRY. On the territories inhabited by the ethnic minorities, their languages and scriptures are in the official use too, in accordance with the law. However, here in Subotica it is not the Hungarian language that is controversial, but the Croatian. The FRY did not internationally recognize Croatia nor has Croatia recognized Yugoslavia, and thus the Croats in

Yugoslavia do not have the status of an ethnic minority. For the time being, they are merely citizens of Serbia," Salatic says.

Even after the placement of the third advertisement, the councillors Hungarians and Croats did not endorse the appointment of the current editor, Slavica Lakicevic, to the post of chief editor [of the radio]. As the sole "publicly stated" reason they quoted an editor's "blunder" when Zeljko Raznjatovic Arkan appeared as a guest on the Serbian program.

"Disregarding the national and political implications of such a decision and its unconstitutionality, a question emerges as to how [words indistinct] carry out such a decision," Slavica Lakicevic, chief editor of the Serbian program, wonders.

The employees of Radio Subotica are dissatisfied that the founder is "disciplining" them. They have received maximum support from their listeners, especially Bunjevci [ethnic group of supposedly Croatian origins—English term unknown] who, calling into the program yesterday, claimed that they actually did not know the Croatian language.

"Wherever the Democratic Community of Vojvodina Hungarians has power, with the help of their sympathizers they are passing the decision to suit their "[word indistinct]" so that when the minorities are in question, political tensions would constantly be present in Serbia, while there are portraying the abolition of these unlawful decisions of theirs to the world as a threat to their minority rights," Dragan Bozinovic, the governor of the Sava-Backa district, says. "With such decisions, they openly demonstrate their desire to be "a state." Bozinovic believes that had the Serbian Constitutional Court been more expeditious in assessing the constitutionality and legality of the Statute of the Subotica commune, this latest "scandal" about the Croatian language entering the program of the Radio Subotica "through the back door" would have been avoided.

However, [words indistinct] yesterday after the creation of "a case," president of the commune Jozef Kasa raised his voice and stated that the Serbian program of the Radio Subotica is interpreting the decisions of the assembly arbitrarily, misrepresenting them deliberately.

Montenegro

Djukanovic on 'Unrealistic' Hopes on Sanctions

LD1305151394 Belgrade TANJUG Domestic Service in Serbo-Croatian 1125 GMT 13 May 94

[Text] Podgorica, 13 May (TANJUG)—Montenegrin Prime Minister Milo Djukanovic said today that the hopes that Montenegro, as part of the Federal Republic of Yugoslavia, will be given somewhat different treatment as regards sanctions are unrealistic. The international community is not even considering a partial relaxation of sanctions against Montenegro alone, and such a solution "would not be good for either Montenegro or Serbia," he said.

Speaking about a possible lifting of the sanctions against Montenegro, which has been talked about increasingly often among the public, Djukanovic said at a news conference that the only relaxation that Montenegro could expect is the reestablishing of traffic links with Italy and somewhat more generous humanitarian aid, due to the large numbers of refugees.

The Montenegrin prime minister stressed that the awareness of how senseless the sanctions are is gaining strength in the international community, for it is being realized that they have not achieved their objective. Asked how much the sanctions have cost Montenegro, Djukanovic said that the "amount of the losses" cannot be precisely quantified. However, he added, the lost exports and revenue from tourism, the non-functioning of the merchant fleet, and the inability to meet contractual obligations to foreign partners have so far cost Montenegro some $3.34 billion.

Speaking about new economic measures, Djukanovic mentioned a possible increase in salaries in the republic, but warned they have to be kept in line with other parameters, particularly with production.

Kosovo

Rugova: Party Will Continue Work if Banned

LD1305113994 Belgrade TANJUG Domestic Service in Serbo-Croatian 1037 GMT 13 May 94

[Text] Pristina, 13 May (TANJUG)—President of the Democratic Alliance of Kosovo (DSK) Ibrahim Rugova said today that his party would continue its activities despite announcements that it would be outlawed. At a news conference Rugova described as "a provocation" the statement by the head of Kosovo district Milos Simovic that the authorities should ban the DSK for failing to register. He warned that this could be "a dangerous move" and that such a decision "would not be taken lightly by the international democratic public." Rugova claims that his party was registered in the former SFRY, that it was in possession of valid registration documents, and stressed that it would continue its work even if banned.